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6 December 1982

# Latin America Report

No. 2616

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6 December 1982

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No. 2616

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REPORTAGE ON ACTIVITIES AT CARICOM SUMMIT

Air Transportation Rules

FL172239 Bridgetown CANA in English 2213 GMT 17 Nov 82

[Report by Trevor Yearwood]

[Text] Ocho Rios, Nov 17 (CANA)--Caribbean Community (CARICOM) leaders, midway into their three day summit here, today began tackling two of the more contentious agenda items, with moderate progress, conference sources said.

Trinidad and Tobago's demands for a rationalisation of air transport in a region that has four national carriers and a Barbados' initiative to have a human rights clause written into the CARICOM treaty both came up in the three house caucus session this morning.

The Trinidadians are seeking to have their national airline--the most established in the region--BWIA, designated the official CARICOM air carrier and won approval today for referring the issue to a special committee, which is to report back to the heads by tonight or tomorrow, the sources said.

In the remaining pre-lunch session some of the heads--mainly members of the Organisation of East Caribbean States (OECS)--put their positions on the human rights issue, but were divided over the intent and need of the proposed amendment, the sources told CANA.

Caucusing on this was to resume later today.

The four CARICOM countries with national airlines--Trinidad and Tobago, Jamaica, Barbados and Guyana, along with the OECS, which is served by the inter-island carrier LIAT--are represented on the air transport committee.

Barbados supports in principle the regional air carrier proposal provided the island's vital tourist industry is not adversely affected.

Trinidad and Tobago is asking Jamaica to honour what Port of Spain says is a long-standing pledge not to fly south in direct competition with BWIA.

Air Jamaica started flying to the eastern Caribbean--Trinidad and Tobago and Barbados--earlier this year, though sources here say the move has not really been profitable.

The CARICOM heads this morning deferred discussion on their first agenda item--peace and security of the region--which occupied yesterday's entire 90 minutes caucus.

Consensus proved difficult on the form in which CARICOM should reaffirm support for Belize and Guyana in their territorial disputes with Guatemala and Venezuela respectively, the sources said.

Separate committees studying various new CARICOM inputs on the restructuring of the University of the West Indies(UWI), the question of regional food supplies, as well as trade and financial matters have not yet reported back to the heads.

With none of the four agenda items yet completed one leader said today it was doubtful if the meeting would meet its projected wrap up deadline of 1400 hours (Eastern Caribbean Time) tomorrow.

#### Compromises on Human Rights

FL181630 Bridgetown CANA in English 1610 GMT 18 Nov 82

[Report by Trevor Simpson, CANA acting chief editor]

[Text] Ocho Rios, Jamaica, 18 Nov (CANA)--A marathon caucus session at the Caribbean Community (CARICOM) summit here, which went into the early hours of this morning, produced compromised agreement on Barbados' demands for insertion of a human rights clause in the nine-year-old CARICOM treaty, the island's prime minister, Tom Adams, disclosed today.

Mr Adams was leading an initiative to commit the 12 member states of CARICOM to "the principle of political liberty and the protection of the fundamental rights and freedoms of the individual through adherence to the principle of the rule of law and the practice of free, fair and regular elections."

Mr Adams declined to give details. However, conferences told CANA the heads of government had agreed not to amend the treaty, but to issue a declaration of Ocho Rios on human rights.

The sources said that the declaration may, in fact, make no reference to free, fair and regular elections."

The original Barbados proposal was seen as directed at Grenada, the only CARICOM member-state which does not have an elected government.

The sources said Grenada's Prime Minister Maurice Bishop felt the Barbados proposal was too limiting in its scope, and should have included a lengthier list of rights.



The heads failed to agree on a Grenada demand for appointment of a multi-disciplinary working group of pollsters and sociologists to survey human rights abuses in all CARICOM countries.

#### Human Rights Compromise

FL181740 Bridgetown CANA in English 1643 GMT 18 Nov 82

[Text] Mr Adams told a brief news conference this morning: "CARICOM has come to a compromise conclusion over the human rights issue which has attracted so much press attention.

"Like all compromises, it contains things that are more agreeable to some people than to others, but I think it represents pretty fairly what was discussed and the way opinions went over this issue."

Adams, who spoke before the leaders went into the final day of the three-day summit in this northern Jamaican tourist town, described the tone of the last five-hour caucus as "reasonable" with heads exhibiting "great tolerance."

Grenada, which was also accused in the regional human rights debate of keeping scores of opponents in jail without trial since the 1979 coup that brought the government to power, appeased its critics this week by releasing 28 political detainees.

Their release got front page coverage in Jamaica's largest daily THE GLEANER today.

THE GLEANER was one of five CARICOM newspapers which this week published an open letter to the Ocho Rios summit demanding action on alleged human rights in Grenada and Guyana.

Details of the final declaration of Ocho Rios are expected to be made public later this evening.

CSO: 3298/1152

CARICOM LEADERS CONSIDER WIDENING ORGANIZATION

FL180033 Bridgetown CANA in English 0002 GMT 18 Nov 82

[Report by Paget Defreitas]

[Text] Ocho Rios, Jamaica, 17 Nov (CANA)--Commonwealth secretary general Shridath Ramphal today advised the Caribbean Community (CARICOM), to be cautious about widening the 12-member grouping for fear that it undermine the regional integration process.

Mr Ramphal, a former Guyana foreign minister, told journalists here that when he held that portfolio, his position was that CARICOM's priority should be to deepen integration among the former British colonies which make up the community, rather than expanding.

"At that time, I felt the region needed to be very careful that the process of widening, which is legitimate, should never be at the expense of the process of deepening," he said.

It is so easy to widen, it is much harder to deepen, and yet we would widen quite often at the expense of deepening, said Ramphal who left here today after addressing the CARICOM summit in progress in Ocho Rios.

There has long been debate on whether CARICOM should not be expanded to include non-English-speaking countries, and in the mid-1970's, Antigua-Barbuda's foreign minister suggested that Venezuela be allowed in to provide a vastly expanded market for CARICOM's goods.

Haiti and Suriname have also flirted with the idea of joining the community. CARICOM heads of government at the summit here are in fact to decide whether both countries should be granted observer status in some of the community's organs.

Mr Ramphal said that it was important for the leaders meeting here to emerge from the conference with a vision of hope for the Caribbean's people--hope for their material well-being and their social and political development.

He said that the deep and worsening world economic crisis would impact heavily on the Caribbean, but felt that the report by a group of experts who looked at the future of the community during the decade of the 1980's was still relevant, and would help the region develop strategies to deal with the problems.

The group of experts, which was headed by the president of the Caribbean Development Bank, William Demas, had acknowledged the depth of the world economic crisis and had made allowances for it in their planning, Mr Ramphal indicated.

He said... "What I have urged on heads of government is that since the world has been so slow in responding to the world economic crisis...which will [word indistinct] heavily on small countries, particularly island economies, it is of utmost importance that CARICOM countries, CARICOM leaders, the community as such, develops a crisis strategy."

CSO: 3298/1148

SEAGA ON CARICOM SUMMIT DECISIONS

FL191313 Bridgetown CANA in English 0335 GMT 19 Nov 82

[Report by Paget Defreitas]

[Text] Ocho Rios, Jamaica, 18 Nov (CANA)--Caribbean Community (CARICOM) heads of government, who wound up their first summit in seven years here tonight, have agreed to grant Haiti observer status on four of the community's ministerial standing committees, it was officially disclosed here tonight.

Summit chairman, Jamaica's Prime Minister Edward Seaga, told newsmen that Haiti would now be able to attend meetings of the CARICOM standing committees on agriculture, health, education and labour.

Suriname, which already attends sessions of the agriculture and education committees, will be admitted to the other two, Seaga said.

Both Haiti and Suriname have been attempting to gain full membership of CARICOM, but they have been unable to get the approval of the 12 former British colonies in the region which make up the grouping.

Seaga said the heads of government had also agreed to the proposed restructuring of the University of the West Indies [UWI], but this was the subject to the resolution of concerns raised by the seven members of the Organisation of East Caribbean States (OECS), a sub-grouping within CARICOM.

A committee is to be set up to look at the issue and report in six months, the summit chairman added.

The proposed restructuring of the UWI calls for separate funding by the host governments of the campuses in Jamaica, Trinidad and Tobago and Barbados.

The campuses would also be granted greater autonomy to conduct their affairs which, the most governments contend, would make them better able to respond to national development needs.

However, the OECS countries fear that under the new set-up, their nationals could find difficulty in gaining admission to the three UWI campuses, and want clarified the system under which they would have to make contributions.

Seaga disclosed too that the conference had called on the United States Government to urge congress to speed up the passage of the trade and investment aspects of President Reagan's Caribbean Basin Initiative (CBI).

The CBI programme involves the dispensing of 350 million (U.S.) dollars in direct aid to countries in Central America and the Caribbean. It also envisages a one-way free trade for most Caribbean goods into the United States for 12 years as well as tax incentives for U.S. companies which invest in the region.

The aid segment of the package has already been approved and Washington has started distribution of the 350 million dollars. Congress, however, has been slow in dealing with the other aspects of the scheme.

The summit felt that aid programmes for the region should be "truly reflective" of national goals and priority areas of development.

The leaders affirmed that such aid be channelled through regional institutions and that their autonomous character should utilise indigenous resources and expertise.

Attaching the highest importance to the principle and objectives of these issues, the leaders declared a "common resolve to work together towards their maintenance and fulfillment."

The heads of government also urged Washington to make new financial contributions to the Barbados-based Caribbean Development Bank (CDB) for concessional lending, mainly to the lesser developed countries (LDCs) within CARICOM.

The question of attracting new funds has been a worrying one for the CDB and its president, William Demas, complained to reporters here about the increasing "bilateralisation" of aid to the region.

The vexations issue of intra-regional trade barriers was also discussed at the summit, and it was agreed to move toward the removal of all quantitative restrictions in CARICOM before the end of 1983.

Seaga also disclosed that CARICOM secretary general, Barbadian economist Dr Kurleigh King, would be leaving the Guyana-based secretariat in November next year, but he added that the community had not yet started searching for a successor.

Dr King was the secretary general of the community, following eminent St Lucian economist Sir Arthur Lewis, Trinidadian William Demas and Grenada-born Alister McIntyre, now head of the commodities division of the United Nations Conference on Trade and Development (UNCTAD).

CSO: 3298/1148

CARICOM ACCEPTS AIR CARRIER RECOMMENDATIONS

FL191700 Bridgetown CANA in English 1422 GMT 19 Nov 82

[Report by Paget Defreitas]

[Text] Ocho Rios, Jamaica, Nov 19 (CANA)--Caribbean Community (CARICOM) heads of government, who ended a three-day summit here last night, accepted a series of recommendations for the rationalisation of air transportation, with the ultimate aim, apparently, of having the Trinidad and Tobago state-owned airline, BWIA, being designated the CARICOM carrier.

A high-level committee is to be established to draft an inter-governmental agreement, and it should report within six months.

The heads of government agreed that there was need to improve the efficiency and viability of air transportation services owned within the community, while noting that small, competing airlines with high overhead costs could not achieve this.

According to an appendix to the conference communique, they agreed to the establishment of the inter-governmental agreement which would provide for "one member-state to designate an airline owned by another member state as its national carrier."

Trinidad and Tobago has for several years been pushing to have BWIA designated the regional carrier, and recently received concrete support from Barbados when Bridgetown said it could negotiate Barbados air routes in the United States.

Apart from Trinidad and Tobago, Jamaica, Guyana and Barbados have national airlines, and the community members also own LIAT, which serves the leeward and windward islands.

As a follow-up to their support of the idea of one country designating another's airline its national carrier, CARICOM leaders are to ask third countries to recognise the provisions of the inter-governmental agreement once it has been approved.

The committee to draft the agreement will comprise two representatives each from Barbados, Guyana, Jamaica, Trinidad and Tobago and the Organisation of East Caribbean States (OECS).

Regional governments are also to direct their national airlines to urgently explore and implement all feasible areas of cooperation in their respective operations.

Air transport licensing authorities in member-states are also to be instructed to respond promptly to requests for approval of schedules and fare applications made by regionally owned airlines.

The committee which is to draft the air transport agreement will also look at the movement of freight in the region, and work out mechanisms for improving the flow of tourists in the Caribbean, placing emphasis on providing support for CARICOM's lesser developed countries (LDC's).

CSO: 3298/1148

## CARICOM FOREIGN MINISTERS POLISH SUMMIT AGENDA

FL161533 Bridgetown CANA in English 1500 GMT 16 Nov 82

[Text]. Ocho Rios, Jamaica, 16 Nov (CANA)--Caribbean Community (CARICOM) foreign ministers have unanimously agreed that the next conference of heads of government of the 12-nation group should be held in Antigua and Barbuda before the middle of next year, senior government officials said today.

The foreign ministers met all day yesterday at the Americana Hotel in this north coast Jamaican tourist town, to clear a number of agenda items for the third CARICOM summit, opening here today and running until Thursday.

The foreign ministers had accepted Antigua's offer to host the 1983 summit, the officials told CANA.

Meeting under the chairmanship of Jamaica's deputy prime minister, Hugh Shearer, the foreign ministers dealt with about six items on the agenda for today's summit.

The ministers adopted a recommendation that Suriname and Haiti be allowed observer status in relation to a number of the standing committee of CARICOM including those dealing with health, labour and education, the officials said.

The ministers also adopted an Antigua and Barbuda recommendation that the community negotiate future foreign investment agreements using a common policy.

The ministers agreed to refer the Antigua and Barbuda paper on the subject to a working party which is expected to report back early next year.

Yesterday's foreign ministers meeting also touched on relations between the African, Caribbean and Pacific (ACP) states and the European Economic Community (EEC) in the light of forthcoming negotiations of Lome Three and the Caribbean Basin Initiative (CBI).

The CBI is a U.S.-sponsored multi-million dollar trade, aid and investment package for Central American and Caribbean states.

Lome is a trade and aid convention linking the ACP and EEC states. There have been two so far.

CSO: 3298/1148



## BRIEFS

ARGENTINE-CENTRAL AMERICAN PROJECTS--Argentina will take part in joint projects of the Central American Economic Community and will also engage in developing projects and installing turnkey industrial plants. This information was disclosed by Foreign Trade Undersecretary Enrique Bauerle who explained to the media the results of the recent visit paid by the Argentine mission to the Central American countries. Bauerle pointed out that the objective of this visit was to work with the Central American market since the level of trade exchange with that market is very low. The average trade exchange with each country only amounts to \$3 million per year. At the same time he pointed out the political success of the mission since it was received by all the various ministers and even by the Honduran and Salvadoran presidents. He also disclosed that there is a possibility of supplying equipment to the Guatemalan Railway Enterprise and the bus transport service as well as of supplying road building equipment. The sale of five fishing vessels, which amounts to \$2 million, was settled with El Salvador. The undersecretary ended by stating that no agreement was reached regarding the sale of grains since Central America enjoys development credits for underdeveloped countries granted by the United States. [Text] [PY131937 Buenos Aires Domestic Service in Spanish 1600 GMT 13 Nov 82]

ARGENTINE LOAN TO NICARAGUA--Argentina has granted a \$15-million credit to Nicaragua. The agreement was signed by Juan Aguirre Lanari, Argentine foreign minister, and by Edmundo Jarquin, minister director of international reconstruction fund of Nicaragua. Nicaragua will use this loan to purchase capital goods, manufactured products and technical services, and to build industrial plants and other works on a turnkey basis. [Text] [PY101557 Buenos Aires Domestic Service in Spanish 1030 GMT 10 Nov 82]

CHILE ON FALKLANDS VOTE--Buenos Aires, 11 Nov (TELAM)--Foreign Ministry Undersecretary Enrique Lupiz this morning met for more than 30 minutes with Chilean Ambassador Sergio Jarpa Reyes. On leaving San Martin Palace, the Chilean diplomat declined to make any statement by saying that he was in a hurry to keep another appointment. Later, the Foreign Ministry reported that Jarpa's visit to Lupiz had two reasons: first, to congratulate Lupiz for the recent UN vote which was favorable to the Latin American proposal on the Malvinas; and second, to convey to him the greetings of Enrique Bernstein, the former Chilean delegate to the papal mediation on the Beagle, who returned today to his country. [Text] [PY111820 Buenos Aires TELAM in Spanish 1531 GMT 11 Nov 82]

CARICOM ON HUMAN RIGHTS--Caribbean Community (CARICOM) leaders are making their way home today after what has been described as a fairly successful summit in Jamaica over the past 3 days. The heads of government of the 12-nation CARICOM group, along with Prime Minister Pindling, reached agreement on some of the important issues facing the region, but on others there were differences. Prime Minister of Barbados, Mr Tom Adams, is disappointed that he didn't get support to have the CARICOM treaty amended so that member countries would be committed to upholding human rights and parliamentary democracies. That proposal seemed targeted at Grenada, where the government led by Maurice Bishop came to power by force in 1979. The president of Guyana, Mr Forbes Burnham, is disappointed because he did not get his colleagues to condemn totally Venezuela's claim of 70 percent of Guyana. The Caribbean heads of government summit was the first in 7 years. [Text] [FL191440 Nassau Domestic Service in English 1300 GMT 19 Nov 82]

CARICOM SUMMIT AGENDA--Leaders of the 12-nation Caribbean Community (CARICOM), along with Prime Minister Pindling, are today wrapping up their first meeting in 7 years. One of the leaders attending the summit in Ocho Rios, Jamaica, says it is unlikely that the heads of government will be able to complete discussions on all of the items on the agenda. Up to late yesterday separate committees studying various new inputs, had not reported back to the heads. The committees looked at the restructuring of the University of the West Indies, UWI, regional food supplies, as well as trade and financial matters. [Text] [FL181548 Nassau Domestic Service in English 1300 GMT 18 Nov 82]

CARICOM SUMMIT COMPROMISE--CARICOM heads of government begin their first summit since 1975 at the Americana Hotel in Ocho Rios today. It is understood that of some 12 items on the agenda there will be three major ones being: the question of intraregional trade, the University of West Indies and human rights. Last night Prime Minister Edward Seaga had meetings with a number of his counterparts including Maurice Bishop of Grenada, Lynden Pindling of the Bahamas, and George Chambers of Trinidad and Tobago. Today's meeting begins at 0930 with the opening session to be broadcast live on RJR [Radio Jamaica, Ltd]. The CARICOM heads will spend 3 days closeted in the Americana Hotel ballroom. A high degree of compromise and diplomacy is expected with the leaders being confronted with some of the region's most drastic economic and (?potential) problems in at least a decade. (?Three conferences) of this station had suggested that the meeting would be a stormy one but conference sources say a compromise has already surfaced with Barbados trimming down a controversial proposal. The proposal had posed that the preamble to the 1973 CARICOM treaty be amended to commit member states to the principle of political liberty and protection of the fundamental rights and freedoms of the individual through adherence to the principle of rule of law and the practice of free, fair and regular elections. CARICOM secretary general Dr Kurleigh King played down the proposed amendment yesterday, indicating that the real issues at the summit will be economic, given the battering the community is now experiencing due to world recession. [Text] [FL161510 Kingston Domestic Service in English 1100 GMT 16 Nov 82]

CSO: 3298/1148

## U.K. PRESENCE IN FALKLANDS CRITICIZED

PY192128 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1315 GMT 19 Nov 82

[Text] Bahia Blanca, 19 Nov (NA)--General Enrique Wehner, commander of the V Corps, has stated here that the "British presence in the South Atlantic is an unacceptable anachronism" and admitted that the Beagle problem "is a constant worry" but confidence exists "in the wisdom of the August mediator Pope John Paul II."

General Wehner stated that the V Corps "hopes to organize a strong, flexible force in accordance with the army's real capabilities, with highly professional officers and with physically and mentally mature troops."

General Wehner added that "any colonial presence in America is dangerous and the special case of the British colonial and military presence in the South Atlantic is an unacceptable anachronism."

"I am sure and convinced," he stated, "that the day has come for those islands to be returned to the mother continent because historically, juridically and geographically they belong to this continent."

In another passage of his remarks, the V Corps commander stated that "the problem called Beagle is of continuous concern and it has always been and will continue worrying the Argentines, although there is confidence in the wisdom of the August mediator to achieve a just, equitable and permanent solution to this problem."

Asked about the possible negative effects in the aftermath of the Malvinas war, Wehner stated: "Historically all war leaves an aftermath not only in the armed forces but in the people as well, and in the army, not only among the young officers and their subordinates but in all ranks."

He cited the United States as an example, that it "is still suffering from the Vietnam syndrome; but our army is capable of improving itself, both spiritually and materially, because far from being disheartened, the aftermath of the Malvinas war has given us the incentive to insist on all those things which were abundant and good, and to correct that which can be improved."

Regarding the situation of the chiefs and officers who were in command of troops in the conflict, he explained that "only heads of units which participated in operations were removed from their posts."

The fundamental reason for this removal was to allow army commander Lt Gen Cristino Nicolaides to make "a just, responsible and wise evaluation of the performance of each one of them, and at the end of this evaluation many of them will certainly be honored by the high command."

Wehner concluded by saying that "others have been removed as a result of that evaluation, but in general, the young officers who participated in the Malvinas war are still on duty and in full exercise of their commands."

CSO: 3348/92

## 'NEWSWEEK' CORRESPONDENT SUFFERS HARASSMENT

PY101545 Buenos Aires DYN in Spanish 1553 GMT 9 Nov 82

[Excerpts] Buenos Aires, 9 Nov (DYN)--U.S. journalist Martin Andersen, NEWSWEEK correspondent in Argentina, has made charges that he has been the object of harassing actions during the past few days and that today he was followed by a Ford Falcon with four individuals dressed in civilian clothes inside it.

The charges also include an attempt to force the door of his home, the persistent tampering with his mail and recent telephone calls made by an unknown woman inviting him to an appointment with the pretext of coordinating press activities.

Andersen made the charges to his country's embassy, the Interior Ministry and the federal police after the taxi he boarded this morning to go from the house of a friend to his office was followed all the way by a green Falcon with its licence plates partially hidden.

The journalist, who has been in the country for 2 months and who is also a stringer for the WASHINGTON POST and MIAMI HERALD, has, through his articles, followed several current events in Argentina, such as the death of advertising agent Marcelo Dupont and the charges about bodies of alleged missing people being found in the Grand Bourg Cemetery.

Andersen revealed that one of the first incidents of harassment occurred last Sunday morning, when he received a telephone call from a woman who called herself Irene Sandler and said that she was a POST stringer in Buenos Aires. The woman demanded an appointment in order to coordinate the details of an interview that she had allegedly already fixed up with army commander in chief Lt Gen Cristino Nicolaides.

Moreover, when Andersen telephoned the United States to confirm the woman's identity, he was informed by his bosses at the newspaper that they did not know who she was.

The journalist said that the correspondence that he had received had been opened and that he had received many anonymous telephone calls in which the caller would hang up when Andersen lifted the telephone.

The journalist added that on Sunday night the lock on the door of his home had been forced while he was sleeping and that the lock had jammed, therefore he had to request the help of the owner.

Finally, he said that this morning when he was leaving the house of a friend, located in the northern district of the capital, he was followed all the way by the Falcon.

Andersen said that the woman who had telephoned him on two occasions for the same reason, spoke "excellent English, as though she had been living abroad for a long time" and that she had knowledge of several exchanges he had had with his bosses.

The journalist said that he had made the charges at this embassy and that he had demanded the protection of federal security. He had also tried to get in touch with the undersecretary for institutional affairs, Gen Carlos Cerda, whom he did not find, so he made the charges over the telephone.

Andersen, 28, previously occupied the post of Associated Press correspondent in Lima, Peru.

CSO: 3348/92

## FRONDIZI CITES MASSACRE OF POLITICAL PRISONERS

PY191709 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1315 GMT 19 Nov 82

[Text] Buenos Aires, 19 Nov (NA)--Former Argentine President Arturo Frondizi has reported that a few years ago 40 political prisoners "were taken out of the prison, machinegunned near Pilar and blown up with a bomb to erase the traces," by way of retaliation for an attack carried out by a subversive group.

Speaking about missing and imprisoned persons, the former president said that he has submitted a project to the church and the government to hold a day of national repentance capable of leading to the establishment "of an atmosphere of true reconciliation."

Frondizi talked to NOTICIAS ARGENTINAS and warned that "first we must clarify things that happened during the war against subversion; truth must be told."

He added that "if excesses were committed during this war, we will have to ask God for forgiveness, who else?"

He went on to say that first "we must find out who were to blame for these excesses" and voiced his opinion that "this would not cause problems for the men who carried out orders, but for those who issued these orders."

He stressed that "if they had the moral strength to perpetrate acts of this nature, they should have the moral strength to kneel down and ask God to forgive them for these sins."

Asked about the meaning of the "day of national repentance" which he is sponsoring, Frondizi explained that it should be a day of prayers in all churches of the nation to stimulate a spirit "of true reconciliation."

He confirmed the disclosure he made yesterday during a conference at the Catholic University in La Plata City concerning an event which took place in 1976 near Pilar, Buenos Aires Province, 70 km north of the capital city.

Frondizi said that "when a terrorist group detonated a bomb which tore off the arm of a high-ranking police chief, an order was issued to take 40 political prisoners out of the prison. They were taken to a place near Pilar where they were machinegunned to death and blown up with explosives to erase every trace of them."

He made it clear that this was not the only event of the kind since "a military officer (whose name he did not reveal) had specified that no traces of the bodies of this kind of person should be left."

Frondizi added that "this was done and thousands of boys died. Some were terrorists, but I am sure that others were not." He reaffirmed that he was convinced "that all those who were kidnapped are undoubtedly dead."

He stated that in view of the prevailing situation, the government has two options: "a dictatorship, if it can handle it, or respect for popular will."

He emphasized that in Argentina "there are few people with the vassal mentality" and added that "anyone who feels that the military should go on ruling--thus overstepping their specific duties--has the soul of a vassal."

The event in Pilar which Frondizi reported took place on 20 August 1976 and was repudiated at the same time by the then interior minister, Gen Albano Harguindeguy. His communique stated that the "vandalistic episode" could only be attributed to "the madness of irrational groups which seek to disturb the internal peace and tranquillity of the Argentine people with actions of this kind."

CSO: 3348/92



## BRIEFS

JEHOVAH'S WITNESS CHURCH BOMBED--Comodoro Rivadavia, 9 Nov (DYN)--Police sources confirmed that a highly explosive device exploded in the local "Jehovah's Witness" church today. The explosion partially damaged the building but did not cause any casualties. The explosion took place this afternoon at the chapel in Velez Sarsfield, [number indistinct] km of this capital, a few minutes after some 30 members of the congregation attended a service. Nobody was hurt thanks to the fact that the church was empty when the explosion occurred, but the building and furniture were badly damaged. Bomb squad spokesmen stated that the device had been placed in the church bathroom by unidentified individuals some 4 hours before it went off. They also explained that it was "a home-made bomb of the type used by terrorists" and that it was made up of gelignite, ammonium nitrate (amonita andial), sulphur, TNT saltpetre, charcoal and a mechanism activated by an electronic fuse placed in a shell with a capacity of 250 grms. The experts stated that the device was "highly explosive." The members of the Jehovah's witness religious sect disclosed that they will state their position regarding the attack, the perpetrators and motives for which are unknown, during a press conference tomorrow. [Text] [PY101453 Buenos Aires DYN in Spanish 2346 GMT 9 Nov 82]

MAGAZINE CLOSURE REVOKED--Buenos Aires, 10 Nov (NA)--The courts today annulled the resolution closing the magazine LA SEMANA, and ordered that all its properties be returned to the "Perfil" Printing House, the owner of the magazine, reliable sources reported. The ruling, issued by administrative law judge Obarrio, was officially reported to the magazine's defending counsel. According to the sources, the ruling is not final and, therefore, the Interior Ministry, the other party involved, may appeal the decision. The ruling by Obarrio is expected to be officially reported to the Interior Ministry tomorrow. [Text] [PY110046 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2300 GMT 10 Nov 82]

POLITICAL STABILITY--Interior Minister Llamil Reston last night stated that our mere desire to return to constitutional rule will not be enough for us to overcome our chronic political instability. Reston said: The constitution has traditionally been instrumental in promoting agreement, especially when national leaders decided to comply with earlier pacts which the constitution itself authorizes in its preamble. He added: I believe the desire to promote agreements, to take concerted actions, to further agreements and to reconcile disagreements is the channel through which institutional stability will be achieved. Reston said: When we Argentines are able to agree on a proposal for harmonious

coexistence in keeping with the constitution, the undesirable succession of weak civilian governments and strong--or not so strong--military governments will become a historical subject. Reston made the above statement in a televised interview broadcast last night by Buenos Aires Channel Seven. After stating that political parties are true liaisons between the government and the citizen, he said that due to the transition process we are experiencing, we should not be surprised by the fact that the parties are now withdrawing into themselves, that their members and internal factions are now holding dialogue to complete their reorganization. As soon as they complete their reorganization, all parties will be ready to engage in public contest and elections, Reston said. [Text]  
[PY231628 Buenos Aires Domestic Service in Spanish 1030 GMT 23 Nov 82]

CSO: 3348/92

## TOURISM CONSIDERED BASIC FOR COUNTRY'S FUTURE

FL171234 Nassau THE TRIBUNE in English 12 Nov 82 pp 1, 13

[Article by Marcia Bethell]

[Excerpts] The Bahamas leads the world in per capita income from tourism with a figure of \$2,485, Prime Minister Pindling told members of the Society of American Travel Writers today.

"What tourism did before it will do again and, in so doing, lift our country from the Third World to the first world," Mr Pindling told the writers at their convention at Paradise Island.

"Tourism," he said, "has been the engine for the development of the modern Bahamas and it will be the engine that will propel us to a new frontier in 1992. Tourism has made possible great leaps in infrastructural development, improved inter-island communication and has made possible levels of per capita income unmatched by any nation in the region of similar, or even larger size."

He said his government is preparing legislation to encourage and regulate a time-sharing industry and will provide further incentives for developers to encourage investment in family island hotels and related projects. He told them that his government had recently decided to increase the number of casinos in the Bahamas.

The prime minister said he expects visitor arrivals to these islands to be two million this year and three million by 1992. He said there are 12,000 traditional hotel rooms in the Bahamas and another 1,000 self-catering condominiums, cottages and time-sharing facilities, and that by 1992 there should be at least three thousand more.

Mr Pindling said the Bahamas is at a stage of economic development where strong links are being formed between tourism and other industries, such as agriculture and fisheries, food processing, garment production, light industry, selected heavy industry and internal and inter-nation shipping.

Because of this new development a free trade zone will be created in New Providence which will "engender accelerated growth in exports," and other zones will be established on selected family islands.

Mr Pindling said that voices have been heard in some developing nations which question the wisdom of relying heavily on tourism as a "tool of development."

"Tourism is today one of the fastest-growing industries in the world," he said. "It is my conviction and that of this nation's government that tourism still has much to contribute to the welfare and indeed the prosperity of our country. As far as the future of tourism as a tool of development is concerned I hope that when you leave here you shall be able to say, without compunction 'I have seen the future and it works.'"

CSO: 3298/1149

COUNTRY SECTION

BAHAMAS

BRIEFS

NEW FRENCH AMBASSADOR--Jacques Massenet, French ambassador to the Bahamas, on 8 November presented his letters of credentials to Governor-General Sir Gerald Cash. [FL171539 Nassau THE TRIBUNE in English 9 Nov 82 p 6 FL]

CSO: 3298/1149

COUNTRY SECTION

BELIZE

BRIEFS

SUGAR, MOLASSES EXPORTS--The Belize sugar industry shipped some 9,367 tons to the United States in the month of October. This, says the October report of the industry, brings total exports for the current year to 92,169 tons of raw sugar to markets in the U.S.A., the U.K., Canada and France. The report also says the sugar industry exported over 35,000 tons of molasses to the United States. [Text] [FL250235 Belize City Domestic Service in English 0100 GMT 25 Nov 82 FL]

CSO: 3298/1156

## GRAIN CROP FORECASTS, PLANTING INTENTIONS FOR 1982-1983

## No Austerity for Agriculture

Rio de Janeiro GAZETA MERCANTIL in Portuguese 21 Oct 82 pp 1,13

[Article by Graca Seligman]

[Text] Brasilia--The new Brazilian grain crop--for 1982-1983--may exceed the 56 million tons that Minister of Agriculture Amaury Stabile has already recorded for the current season. At least that is what is indicated by the early data collected by the Production Financing Commission (CFP). With those figures in his possession, Minister Stabile is not concealing his enthusiasm, and in an interview with this newspaper yesterday, he also explained why the economic austerity plan being put together by the government for next year will not affect agriculture. This means that agriculture will continue as one of the few privileged sectors carrying the priority stamp.

According to the minister, the government believes that it is through agriculture that the country will create the conditions for rapidly overcoming its economic difficulties. Agriculture, said Stabile, represents a clear return to undisturbed domestic supplies and means exports and the generation of jobs in industry.

The minister was unequivocal: the government will continue to buy any and all products covered by the minimum price policy. And even if the Federal Government Acquisitions (AGF) levels stay the same or even increase above those for the 1981-1982 harvest, the government will continue "honoring this policy." If prices are not attractive on the market, the farmer must sell to the government. In Stabile's opinion, price correction through the minimum price policy is the key instrument for capitalizing the agricultural sector.

The official interest is in building up buffer stocks to protect the domestic market, and any excess purchased will be exported. With the exception of beans, all the products have a market abroad. "The government is going to administer all the costs, from warehousing to inputs--the important thing is to have big production." Stabile added that basically, there is one big food supplier today, and that is the United States. But the purchasing countries, by a "political decision," are looking for an alternative supplier. "And that new alternative is Brazil."

Concerning credit, the minister said that the tendency for the time being will be to retain the full subsidy for small producers. The solution for the medium and large producers will increasingly be that of finding money on the market. Stabile reaffirmed that the cost of that credit will be covered by the minimum price, which will always be tied to a certain level of productivity. He explained that the farmer who produces more and better crops will be in a better position to increase his profitability.

The government's desire is that the producer, whose costs are currently very high, will "struggle to reduce them with support from the minimum prices, which will always be realistic, since they are adjusted according to the National Consumer Price Index (INPC).

Stabile reasons that as a result of the economic crisis and the gradual withdrawal of the subsidy, the producer will have to rationalize his outlay for the most expensive factors of production. And he adds that with an abundance of farm products on the market and price stability, the farmer will in fact be able to make money.

He said more: the withdrawal of subsidies from the big producers will be aimed at stimulating the sector. In other words, funds will be channeled into basic farming investments. The consensus in the economic area is that the funds should come from noninflationary sources. And one formula being studied by the government, according to the minister, calls for using tax funds. Stabile is already hoping that this measure will be adopted next year.

#### Survey

Stabile's optimism concerning the future of agriculture in a year of austerity is based essentially on Brazil's next grain crop. The CFP's first surveys show that the area planted in grain--at least as far as the major crops (soybeans, corn, rice, cotton, and beans) are concerned--will remain at 26.7 million hectares.

In addition, the government is expecting a productivity increase of at least 2 percent this year. According to Stabile, that estimate is conservative, since the average productivity increase in previous years has been 3 percent in the case of crops not affected by the weather. But the minister does not expect weather problems this year. In 1981-1982, a lack of rain in Rio Grande do Sul caused the loss of 2 million tons of soybeans and approximately 400,000 tons of rice.

Concerning the establishment of a food program for unemployed workers, the minister said that this matter is the subject of studies by several sectors in the government. What does exist specifically, he added, is the sale of beans at 60 cruzeiros per kilogram. Stabile said that with that program, "the government is creating a state of capillarity in all of Brazil for placing any surplus foodstuffs on the market at low prices."

"We are doing with beans what President Joao Figueiredo requested at the start of this administration--that is, we are bringing the consumer closer to the



producer and eliminating the middleman. To achieve that, we are using the entire private marketing system."

The next foodstuffs will be those available, such as beans. Stabile concluded by saying that the important thing is the structure that we are setting up through the sale of beans.

#### Wheat Production

Rio de Janeiro GAZETA MERCANTIL in Portuguese 21 Oct 82 pp 1,13

[Article by Jane Filipon]

[Text] Porto Alegre--This year's wheat harvest should total 2.15 million tons, or 50,000 tons less than in 1981. Weather problems have caused serious damage to the crop, which according to preliminary estimates could have yielded as much as 3 million tons.

The latest surveys by the Bank of Brazil's Wheat Marketing Department (CTRIN [National Wheat Marketing Enterprise]) indicate that the Brazilian wheat harvest will total 2.15 million tons, or 50,000 tons less than the 1981 harvest.

According to statements to this newspaper by Nilo Fensterseifer, head of the CTRIN, Parana will harvest 1.05 million tons, while Rio Grande do Sul will harvest approximately 800,000 tons due to the great disappointment that reduced production by 50 percent, and the other states will produce a total of 300,000 tons.

The Bank of Brazil has acquired 911,000 tons of wheat to date, and the producer is receiving 3,402 cruzeiros per 60-kilogram sack. Because of the exchange correction, wheat will be acquired from producers at 3,850 cruzeiros per 60-kilogram sack beginning in December.

Fensterseifer also announced that the harvest has been causing some surprises as far as hectoliter weight is concerned. "In Parana, for example, even though the crops have encountered difficulties due to the weather, the hectoliter weight has been averaging more than 75, and the result, when that is combined with the weights attained in other producing states such as Sao Paulo, Minas Gerais, and Mato Grosso do Sul (where it was 81), is an average hectoliter weight of 75.8 for the wheat crop acquired to date."

But this does not guarantee that the weight in this year's harvest will average the 77.3 achieved last year. Rio Grande do Sul, in addition to reducing its physical volume, is reporting a weight of 65. "Because of that, I believe the hectoliter weight for wheat in the 1982 harvest will end up around 71 or 72."

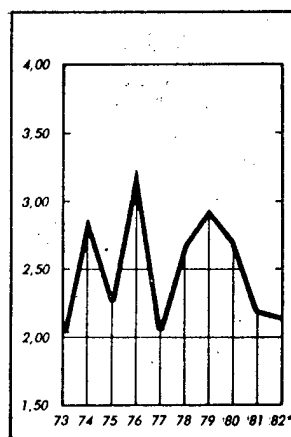
With a planted area of 2.9 million hectares for the country as a whole, wheat growing is up by about 43 percent. In Rio Grande do Sul, the forecasts released yesterday by EMATER [Rural Extension and Technical Assistance Enterprise] indicate that crop productivity in that state, which was initially expected to

total 1,178 kilograms per hectare, is currently amounting to 589 kilograms per hectare.

One of the problems being faced by the farmers concerns the estimates that the production of chaff (atrophied wheat used only for animal consumption) will reach 150,000 tons and is being quoted at unremunerative prices. In addition, since the CTRIN does not buy the product (which is purchased only by feed manufacturers), the farmer is slow in starting the process of compensation by PROAGRO [Agriculture and Livestock Activity Support Program], since the chaff must be sold first.

As this harvest gets underway (20 percent of the 1.35 million hectares planted), experts at EMATER have noted that it is not only weather factors that have harmed the crop in Rio Grande do Sul, but also the lack of crop rotation, which resulted in the appearance of take-all (*Ophiobolus*), and the failure to apply fungicides.

Brazilian Wheat Production  
(in millions of tons)



Source: CTRIN and the GAZETA  
MERCANTIL Information Office.

\* Estimate.

#### Grain Planting Area About the Same

Rio de Janeiro GAZETA MERCANTIL in Portuguese 7 Oct 82 p 11

[Article by Olga Kan]

[Text] Sao Paulo--Planting intentions as far as the chief grains are concerned are starting to take shape in the central states and Sao Paulo as soil preparation and sowing get underway following the rains, which have been falling more heavily since the start of this month.

In the Center-West states, the delay by the Bank of Brazil in releasing finance credits and the shortage of funds in the private banking system have caused

delays in planting. But the total area to be planted in the three main cereals (soybeans, corn, and rice) should remain stable during the 1982-1983 crop year, according to a survey conducted by the state agricultural planning commissions connected with the secretariats of agriculture.

In two of the main producing regions in the state of Sao Paulo--Marilia and Sorocaba--a tendency to keep the same corn and soybean acreage this year as in 1981-1982 is noted. But the harvest of rainy-season beans, the planting of which began in July, will be reduced considerably, since the nontraditional regions, discouraged by the lower prices on the market, did not plant this year.

Even though the phase of soil preparation and planting has begun, the demand for inputs has not lived up to industry's sales expectations. The demand for improved and certified seed has fallen off drastically this year. According to Marcio Santos, executive director of the Brazilian Association of Seed Producers (ABRASEM), a significant share of the seed production throughout the country is still in the hands of the producers, whereas the retailers' stocks ought to be at quite low levels by now. He attributes this situation to Central Bank Resolution No 706, which removed the requirement that credit be granted only to those using improved seed.

Sales of fertilizer have improved since last month. But the fertilizer firms expect their deliveries by the end of the year to equal those in 1981 (about 5.5 million tons). This would actually indicate a drop in consumption, according to Marcos Rocha, executive secretary of the National Association for Fertilizer Distribution (ANDA). Last year the farmers bought less fertilizer because they used part of the fertilizer stored up from the year before.

#### Center-West

Agricultural planning experts expect a reduction in the area planted in rice and an increase in the acreage devoted to soybeans in the states of Mato Grosso, Mato Grosso do Sul, and Goias. Except in Goias, the area planted in corn should also increase, partly as a result of the minimum price, which is considered reasonable, the relatively low cost of production, and the guaranteed purchase of the crop by the government.

The first survey of planting intentions to be conducted among various agricultural entities by the Goias CEPA [State Agricultural Planning Commission] revealed a reduction in rice acreage from 1.16 million to 1.1 million hectares and a drop in corn acreage from 880,000 to 800,000 hectares.

The slower expansion of stockraising in Goias and the lack of investment funds for opening up new areas will not stimulate the expansion of upland rice, according to Alvacir Barbosa Ribeiro, technical adviser at CEPA.

There are prospects, however, for an increase in the planting of soybeans, which are to occupy 350,000 hectares this year. The cotton acreage in Goias is dependent on the insolvent Maeda Group, which controls 30 percent of the production in that state.

## Mato Grosso

In Mato Grosso, the area planted in rice is expected to decline by about 10 percent to 720,000 hectares, according to CEPA chairman Eucario Antunes Queiroz. According to him, the decline is due mainly to the lack of investment credits for opening up new areas and acquiring lime.

The difficulty in obtaining credit for the purchase of lime has been restricting the expansion of soybeans, which will probably increase by only 35 percent in the 1982-1983 crop year, compared to a 120-percent increase last year, when the acreage rose from 80,000 to 195,000 hectares.

As far as corn is concerned, the acreage is expected to increase by 15 percent. The overall acreage devoted to all three crops should remain the same as in 1981-1982, however (around 1.17 million hectares), according to CEPA.

## Mato Grosso do Sul

In this state, the planned increase in total grain acreage is between 2 and 3 percent. Soybeans should occupy between 850,000 and 900,000 hectares, compared to 845,000 hectares in the last harvest. Corn, which was planted on a total of 146,000 hectares in 1981-1982, should cover a larger area this year, following the upward trend noted over the past 3 years, according to Orany Furtado da Rocha, general coordinator of CEPA.

Rice acreage, which totaled 1 million hectares in 1977, was down to 342,000 hectares last year, and Rocha predicts that it will contribute even less to the state's overall farm production this year.

## Sao Paulo

In Sao Paulo, the DIRA's (Agricultural Regional Divisions) are tabulating the data collected concerning planting intentions in several regions. In Sorocaba, however, where planting is already quite far along, DIRA predicts a 20-percent reduction in the area devoted to beans (the region's chief crop). Last year, that acreage totaled nearly 200,000 hectares. Charles Michel, assistant to the board, says: "The marginal producers in nontraditional areas, who began planting when bean prices were on the way up, have stopped growing the product this year."

So far this year, sales of certified seed by the State of Sao Paulo Secretariat of Agriculture, which has a large share of the market, have totaled 65,500 50-kilogram sacks, compared to 99,400 sacks during the same period in 1981.

Corn and soybean acreages are tending to remain the same as in 1981, when the totals were 183,000 hectares for corn and 18,000 hectares for soybeans. In the Marilia DIRA, the farmers will also keep practically the same acreages in corn and soybeans. The last corn crop occupied 120,000 hectares, while soybeans occupied close to 160,000 hectares.

## More Soybeans in Minas Gerais

Rio de Janeiro GAZETA MERCANTIL in Portuguese 7 Oct 82 p 11

[Article by Eimar Magalhaes]

[Text] Belo Horizonte--In the upcoming planting, Minas Gerais farmers are going to stick to the same grain acreages as in 1981-1982. In the Alto Paranaiba region, which is one of the state's biggest producers, experts at the Rural Extension and Technical Assistance Enterprise (EMATER) estimate that the corn acreage will be the same--143,000 hectares in the area's 34 municipalities--and that there may be small increases in upland rice and soybean crops.

Jose Francisco de Vargas, regional project coordinator for the Minas Gerais EMATER in Patos de Minas, commented yesterday: "According to information received from the Bank of Brazil's regional agency, upland rice may increase by 10 percent over the 75,000 hectares sown last year. The farmers are using the crop to open up new areas which will be prepared at the same time for future use as pastureland. In the case of soybeans, which may also show an increase of about 10 percent--they were grown on 68,000 hectares last year--the probable growth will be due to activity by large firms."

Jose Ribeiro de Carvalho, a producer who is also chairman of the city's rural union, also believes that the figures will be the same as last year. He argues that the marketing of fertilizer was on the same level as in 1981 and adds that "although the producer is complaining, he does not want to leave the land and machinery idle." But planting forecasts do not include estimates of what may happen in the case of beans, which according to Francisco de Vargas are "currently selling for a discouraging price."

## Rio Grande do Sul Rice Acreage

Rio de Janeiro GAZETA MERCANTIL in Portuguese 7 Oct 82 p 11

[Article by Mario de Santi]

[Text] Porto Alegre--If the trend of the past few years continues, rice may soon replace soybeans as Rio Grande do Sul's most important summer crop in terms of production. As this planting season starts, for example, soybean producers seem indecisive, and a minimum drop of 5 percent in the area planted is expected, but ricegrowers are expecting an increase of at least 5 percent and are less concerned about delays in the release of financing funds. The difference is explained basically by the recent successes and failures as well as by the degree of security offered by each of those two crops.

In the last four harvests, the ricegrowers progressively increased their production from 1,789,000 to 2,550,000 tons, while the planted area rose from 573,000 to 656,000 hectares--almost all of it irrigated. For their part, the soybean growers have been bitter about failures not only in production but also in marketing.

Production, which totaled 5,678,000 tons in 1977, exceeded 6 million tons last year, but in the meantime, it had dropped to 3.6 million tons in 1979, and this year's crop, initially forecast at 6.03 million tons, totaled only 3.8 million. And for the past 2 years, the producers have also had no luck in marketing: in 1980 there was the foreign exchange confiscation, and this year, international prices were definitely unfavorable--a situation that has not changed.

The result is that the rice producers appear satisfied and are thinking of increasing this year's acreage to 690,000 hectares--with the providential help of deserters of soybeans who own irrigated land. The conditions are favorable in terms of springs available for irrigation and in the area of prices.

Homero Pegas Guimaraes, chairman of FEARROZ (Federation of Rice Cooperatives), admits that the producers are satisfied with the minimum price, which should be 3,200 cruzeiros per sack at harvesttime (in March and April of next year).

The cost of production, estimated at between 170,000 and 180,000 cruzeiros per hectare, should be more than offset by those prices, since the expected yield will be 4,500 kilograms per hectare, with a total production of 3,105,000 tons.

Besides the bad luck hanging over them from previous harvests--including the current disappointment with wheat--soybean planters are also in trouble when it comes to starting the current planting. According to the Federation of Wheat and Soybean Cooperatives (FECOTRIGO), over half the farmers have still not seen their financing money. So the 3.66 million hectares planted in the last crop year are going to be reduced by at least 183,000 hectares (5 percent) or by as much as 366,000 hectares (10 percent).

There is also discouragement because of the unfavorable marketing prospects. The growers do not believe that a bushel of soybeans can command anything near \$7, which would be a reasonable price for the product.

#### Carelessness

The most serious aspect of soybean farming is the producer's carelessness about the ideal use of inputs. Ronald Bertagnolli, a seed producer in Passo Fundo, complains that many people are using their own unselected seed, a practice that will certainly reduce yields. Werno Tiggerman, chairman of the Rio Grande do Sul Fertilizer Manufacturers Syndicate, does not have up-to-date figures, but he concludes that the producers are using much less fertilizer (production through June was 15 percent less than in the first 6 months of last year).

The producers who have the opportunity are going completely or partially into other activities such as rice, cattle for slaughter, or corn, which this year should occupy 1,793,000 hectares and produce about 4,294,000 tons, according to EMATER. Those who work only a very small area are choosing diversification for good. This includes beans, the acreage of which is expected to total 156,900 hectares, or the same as in 1981.

11798

CSO: 3342/21

## INFLUENCE OF INDIVIDUALS, ASSOCIATIONS ON VOTING ASSESSED

Sao Paulo ISTOE in Portuguese 13 Oct 82 pp 42-44

[Text] The politicoelectoral marathon in which President Joao Figueiredo is currently engaged is arousing much debate either on the grounds that it exposes him too much or because of the ethical aspects involved, but there is at least one justification for it that can be proven with numbers. Among the people, organizations, or groups that might have the greatest influence on the way people vote, it was the president of the republic who was mentioned most often in the survey conducted by the IBOPE [Brazilian Public Opinion and Statistics Institute] on behalf of the Globe Television Network, the newspaper O GLOBO, and ISTOE. As a national average, and on the basis of data gathered in eight states, the president of the republic ranked first among the most important influences, being mentioned by 18.4 percent of the voters polled. Next in line were the mayors (15.2 percent), the governors (11.2 percent), the church (10.0 percent), and the media in general (6.7 percent).

The comparative table below shows that the person of the president carries more weight than any other factor in influencing the vote in Rio de Janeiro, Rio

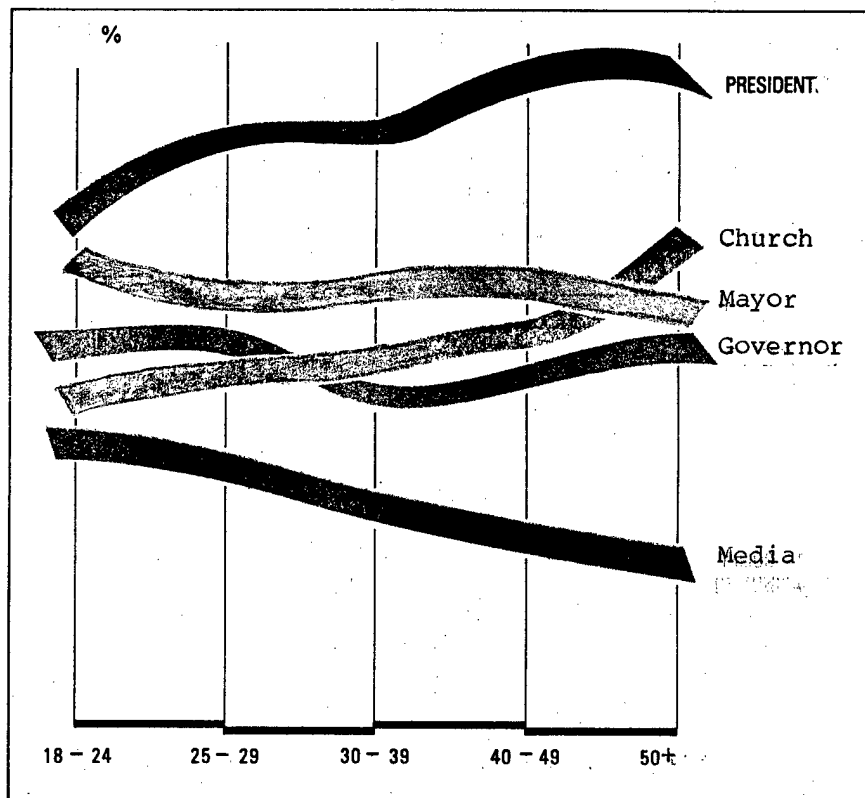
Who Can Influence the Vote the Most?  
(percentages)

	Bahia	Minas Gerais	Parana	Pernambuco	Rio Grande do Sul	Rio de Janeiro	Santa Catarina	Sao Paulo
1.	Mayor 21.5	Mayor 23.6	Mayor 16.8	PRESIDENT 28.3	PRESIDENT 20.7	PRESIDENT 23.3	PRESIDENT 16.7	PRESIDENT 15.5
2.	PRESIDENT 14.1	PRESIDENT 16.5	Church 15.7	Mayor 9.8	Media 13.5	Governor 12.8	Governor 15.0	Media 11.8
3.	Governor 12.9	Church 13.5	PRESIDENT 12.3	Governor 8.3	Governor 12.8	Media 10.3	Mayor 12.3	Governor 9.6
4.	Church 7.9	Governor 7.9	Governor 10.5	Church 6.8	Mayor 11.0	Church 9.4	Church 8.1	Mayor 9.4
5.	Media 3.0	Media 4.0	Media 4.6	Media 3.3	Church 10.4	Mayor 4.5	Media 2.7	Church 8.0

Grande do Sul, Pernambuco, Santa Catarina, and Sao Paulo. His place is taken by the mayor in Parana, Bahia, and Minas Gerais. And the media occupy an outstanding second place in Sao Paulo and Rio Grande do Sul. The choices listed on the questionnaires presented to the interviewees included senator, federal and state deputies, municipal councilor, and union or professional association, as well as the possibility that a popular idol or a neighborhood association or club to which the interviewee belonged might have some influence on his choice as a voter. But the numbers choosing those personalities or associations were not very significant. It is important to note, however, that among the members of the legislative branch, the municipal councilor was always considered the most influential. As a national average, he was picked by 2.3 percent, while federal deputies were chosen by 1.4 percent, and the senators and state deputies tied at 1.2 percent. Lastly, 15.8 percent of those polled said they were not influenced by any of the personalities, organizations, or groups listed in the survey.

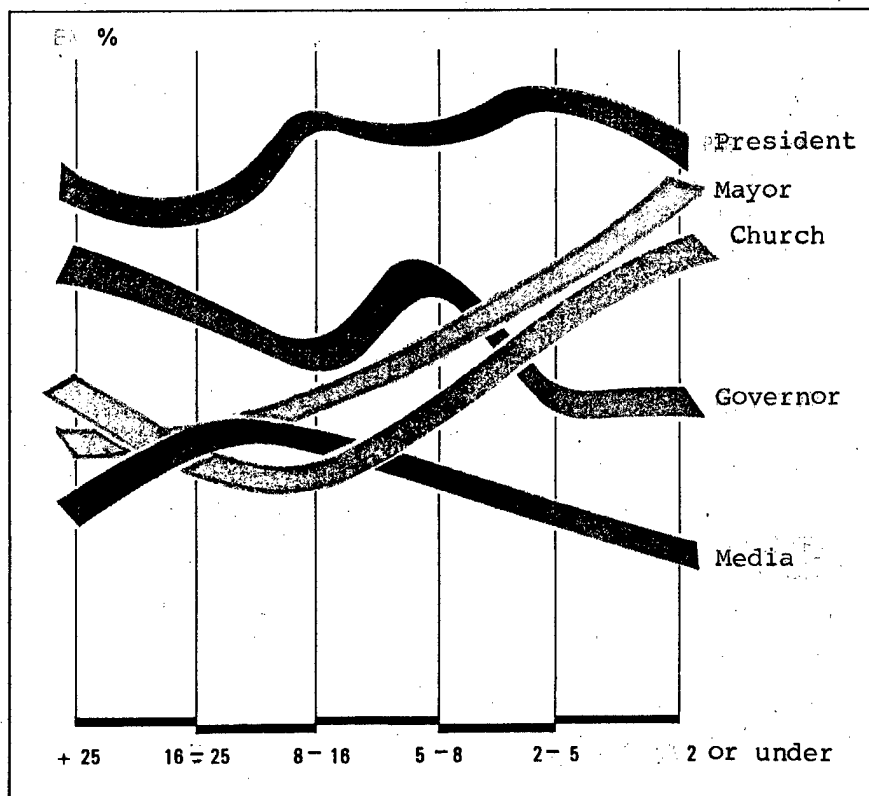
In this seventh round of analyzing the public opinion poll conducted by the IBOPE, ISTOE made a breakdown of the power to influence enjoyed by the five most influential personalities or institutions and noted the variations according to age and income level (see the tables). The president's prestige rises, for example, as the age of the person polled also rises until it reaches a

Influence by Age  
National Average of the Eight States Surveyed





Influence by Income Level  
National Average of the Eight States Surveyed  
(in multiples of the minimum wage)



maximum of 21.0 percent in the 40-49 age group. The media follow strictly the opposite path, beginning at 8.5 percent in the youngest age group and then plunging to their lowest level--4.4 percent--among people 50 years of age and older.

Viewed from the standpoint of income level, the most spectacular trajectory is that of the mayor. Beginning at 8.5 percent among voters earning over 25 times the minimum wage, his influence grows among those with lower incomes until it reaches 17.3 percent in the group earning up to 2 times the minimum wage, where it almost equals the president's percentage (17.6 percent). It is reasonable to suppose that the great majority of the voters in the lowest wage groups are more sensitive to a mayor's achievements in making urban improvements--such as street paving and lighting--and in the area of basic sanitation.

The question of who can influence the vote was also asked from the standpoint of the voter's personal relationships. The feminists may not like this, but the husband heads this list as a national average (see the table), with 13.0 percent of the women considering him qualified to carry decisive weight in determining their vote. The men returned the favor in part: 6.1 percent said that

Influence by One's Personal Circle

	%
1. Husband	13.0
2. Candidate known to you	12.3
3. Father	9.9
4. A friend	6.3
5. Wife	6.1
6. Mother	2.9
7. Brother or sister	2.9
8. Son or daughter	2.9
9. Your employer or boss	2.0
10. Priest or religious leader	1.3
11. A teacher	1.1

their wives had a strong influence in their choice of a candidate. Excluding that purely conjugal relationship, the great electoral force turns out to be the "candidate known to you." In Minas Gerais, he heads the list at 15.3 percent, followed by the husband at 13.2 percent. In Bahia, the husband drops into third place, being outdistanced by the "candidate known to you," who is again in first place at 19.5 percent, and the head of the household at 13.6 percent. Comparing those data, which give first place to the candidate known to the voter, with the other results, which say that the municipal councilor is the most influential member of the legislative branch, leads one to infer that the candidate for municipal councilor has unsuspected power. A good example of the potential of the candidate for municipal councilor as a votegetter is occurring in Sao Paulo. Significantly, it is around the candidates for municipal councilor that the PDS [Social Democratic Party] is trying to concentrate its desperate efforts to undermine the wide support for Franco Montoro, the PMDB [Brazilian Democratic Movement Party] candidate for governor, in this final phase of the campaign--the rule in the Sao Paulo PDS is to sponsor successive meetings by the party with the 20,000 candidates for municipal councilor in an attempt to persuade them to fight for votes as complete slates, thus taking advantage of the law requiring that votes be cast for a single slate.

One final surprise. To the question of whether everyone in the house would vote for the same candidates, there were three states--Parana, Bahia, and Santa Catarina--where over half answered yes (see the table below). The decisive factor in this case was the weight assigned to the voters in the interior (of Parana and Bahia) or the interior and periphery of the capital (in Santa Catarina) in the final computation for the state as a whole. In those regions, the old family structure, in which the head of the clan has the final say in any possible disputes about an election, still seems to predominate to a significant degree.

Does All Your Family Vote the Same Way?

Name of state	%	Total State	CAPITAL	INTERIOR	Periphery
Rio Grande do Sul	Yes	48.5	48.9	49.4	42.5
	No	51.5	51.1	50.6	57.5
Parana	Yes	53.3	43.4	55.4	47.4
	No	46.7	56.6	44.6	52.6
Pernambuco	Yes	46.3	40.1	50.4	40.4
	No	53.7	59.9	49.6	59.6
Bahia	Yes	51.7	39.5	58.5	40.3
	No	48.3	60.5	43.5	59.7
Santa Catarina	Yes	53.9	39.2	54.5	65.3
	No	46.1	60.8	45.5	34.7
Minas Gerais	Yes	48.3	33.0	51.7	34.2
	No	51.7	67.0	48.3	65.8
Rio de Janeiro	Yes	32.4	31.5	27.0	39.5
	No	67.6	68.5	73.0	60.5
Sao Paulo	Yes	34.2	27.2	39.5	32.0
	No	65.8	72.8	60.5	68.0

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CSO: 3342/21

## HEAVY RAINS DELAY PLANTING IN RIO GRANDE DO SUL

## Rice Yields Affected

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 5 Nov 82 p 31

[Text] Porto Alegre--The heavy rains falling throughout Rio Grande do Sul agricultural regions are delaying planting of summer crops and, in the case of rice, may reduce yields, as it will be impossible to seed the whole area during the most favorable period. This information was made public yesterday by the president of the Rio Grande do Sul Rice Institute (IRGA), Arare Vargas Fortes, and confirmed by specialists of the Agricultural Planning Commission of the State Agriculture Secretariat.

The IRGA had been hoping for an output of 3 million tons for the coming crop year--if atmospheric conditions were favorable--thanks to introducing a new variety whose yield is 50 percent greater than that of seeds used traditionally. But greater use of this variety (IRGA-409) is the very reason why yield may fall. Arare explains why: with Central Bank Resolution No 706 this year, farmers who use rural credit are no longer required to plant only approved and certified seeds. This led seed producers to reduce cultivation of the Brubelli variety, one of the most traditional, and thus the planting proportion between the two types will have to be reversed. Brubelli, which in the 1981-82 crop year represented 70 to 80 percent of what was planted, will be 30 to 40 percent at the most during the 1982-83 year, while the IRGA-409 will rise from 30 percent to 60 or 70 percent.

And this is what may cause problems, according to the IRGA president. The best time to plant the 409 variety is the second half of October and the first half of November. As it has been raining during that period, only 10 percent of the predicted area of 603,000 hectares has been planted thus far, whereas 30 to 40 percent would be normal. But the Brubelli and other traditional varieties can be planted later without impairing yield.

Data from the IBGE [Brazilian Institute of Geography and Statistics] coordinating group for agricultural estimates relating to October, when the situation had not yet become so pessimistic, already indicated a small reduction in yield. Last year the average was 4,320 kilograms per hectare and 4,300 kilograms per hectare is being forecast for the coming crop year. But output per hectare will fall even more, Agriculture Secretariat experts said yesterday, if the rains continue. Soybean planting is also delayed, but as yet without forecasts of adverse effects on yield.

## Damage to Unharvested Wheat

Rio de Janeiro GAZETA MERCANTIL in Portuguese 26 Oct 82 p 1

[Text] Porto Alegre--Just recovering from a disastrous wheat harvest, Rio Grande do Sul farmers are suffering from a new shock. Last week and through last Sunday the state received the heaviest rains in recent years, to the point that the slopes of terraces on some big farms in Passo Fundo which have held up well for more than 10 years are being washed away, according to Airtton Borovski, technical director of the Passo Fundo Wheatgrowers Cooperative (COOPASSO).

In the Passo Fundo region between 20 and 25 percent of the soybean area for this summer, a total of nearly 220,000 hectares, had been planted. The recent rains have already required replanting on several properties. In this region the situation of unharvested wheat, about 25,000 hectares, has worsened. "It didn't amount to much to begin with and now it's been damaged by heavy rains, high winds and even hail," complains Borovski, in reporting that it has not been possible to get harvesting equipment into the fields since Wednesday of last week. Meanwhile, pests are multiplying anew.

In the Missões region hardly any wheat remains to be harvested and hence the rain has not been so disastrous. Which is not a very great advantage, because the wheat, although harvested, had a yield below what is considered the critical point, with 400 kilograms per hectare--only 2 crops in the last 10 years have had yields that low. In the Santo Angelo region, according to Silvio Aristeu de Souza, director of the Santo Angelo Wheatgrowers Cooperative (COTRISA), there were 450 millimeters of rain from 20 August through 30 September, when normal rainfall would have been something between 80 and 100 millimeters. "The worst of it is that during this period we had temperatures varying between 32 degrees [centigrade] and a few degrees above zero, with a few days of frost."

Although it has also rained excessively in recent days, the water has not greatly damaged the soybean area in Missoes. The rivers overflowed their banks but, as the fields had not yet been prepared for soybeans, they were not flooded out.

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CSO: 3342/27

## 'O ESTADO' ANALYZES U.S. ELECTION RESULTS

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 4 Nov 82 p 3

[Editorial: "Analysis of U.S. Election Results"]

[Text] This commentary was written before we had conclusive data about the U.S. election results for choosing the House of Representatives, one-third of the Senate, 36 governors and thousands of local mayors and councilmen. However, the data available so far--which, it appears, will not be greatly changed by the time all the returns are in--are enough to convince us that the Republican defeat was not as great and decisive as had been predicted. Contrary to expectations of newspapers based upon public-opinion polls, the Republican defeat was only partial: In the House of Representatives the Republican Party lost 26 seats; it was defeated in 7 states in the choice of governors; but it won the Senate elections, increasing its seats from 53 to 54. The Republican president's satisfaction is thus understandable in that he feels encouraged to pursue his hotly-debated and controversial economic policy.

As the Senate is known to be the most influential body of the legislative branch, its support for the president's policy will be decisive for giving final form to the orientation that Reagan wants for his program.

Returns reported thus far deserve special consideration in view of the fact that traditionally in midterm elections such as Tuesday's the president loses to the opposition by a wide margin. It is the public's first opportunity to say what it thinks of the president's performance in heading the government. As we said, in previous midterm elections the president's party, whether Democrat or Republican, has always lost an average of 36 seats in the House of Representatives. So far Reagan has lost only 26, but in exchange he increased his majority in the Senate by 1 seat.

As is happening everywhere, especially in Europe, legislative elections in the Western democracies are being won by the opposition parties, regardless of the government's ideological coloring--social-progressive, social-democratic, liberal, conservative--for one simple reason: everywhere the crucial problem, the economic crisis, is what brings down the party in power.

In the United States, however, the situation is a little different: the large number of unemployed, which is now 11 million, was reached only once in the

Carter administration but, on the other hand, the (short-term) interest rate has fallen in the past year from 20 percent to 11.5 percent and inflation fell from 12 percent to 5 percent. These data illustrate the contradictory economic situation of the United States; Reagan, on the one hand, promised large tax cuts which, according to "supply-side" theory, would reactivate the economy, but on the other hand he supported the Federal Reserve Bank's independent monetarist policy which proposed to restrict credit and the money supply to control inflation. Not only were the two policies really contradictory, but the effects of the tax cuts were canceled out by the enormous budget deficit produced by heavy investment in rearmament. Industrial output thus decreased instead of increasing, in turn causing higher unemployment, which in its turn caused social and political problems amply exploited by the Democratic Party's campaign.

Alarmed by the high unemployment rate, the U.S. voter gave heed to the Democratic campaign but still did not want to completely deny Reagan--who is "staying the course"--an opportunity to try to bring to a successful conclusion the task he has proposed and balance the budget through partial tax increases and cuts not only in nonessential social expenditures but also by adopting a more cautious approach to rearmament costs although leaving them essentially at the same level. Should the fall in interest rates extend also to long-term rates, there is a reasonable hope of reactivating the U.S. economy.

Reagan's objectives, after all, are proper. Reactivation of the economy, as well as reestablishment of military balance with its rival superpower, are the essential conditions for the United States to regain its international status and make use of its persuasive force so necessary to retain the trust of its allies and the respect of its adversaries.

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CSO: 3342/27

## PAPAL CRITICISM OF CEB ACTIVITIES DISCUSSED

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 5 Nov 82 p 3

[Editorial: "Pope's Criticism of Role Played by CEBs"]

[Text] In speaking at the inaugural ceremony of a new church in a suburb of Madrid, Pope John Paul II put severe restrictions on the role that has been played by the Basic Church Communities [CEBs]. As one will recall, the establishment of such communities led to heated debate inside and outside the church, in view of the fact that, with the passage of time, they began carrying out political action under the guise of consciousness raising, choosing the side of the people or fulfilling the church's "pastoral" commitment. The Latin American Bishops Conference [CELAM], meeting in Puebla, had arrived at the following conclusion in their final document: "It is deplorable that in some places clearly political interests are trying to manipulate the Basic Church Communities and slip away from authentic communion with their bishops" (Number 98).

In turn, Pope John Paul II himself, in his speech to CELAM in Rio de Janeiro, reiterated such views and proposed the model for an authentic CEB leader, who must meet three requirements: 1) Keep within the faith of his pastors--that is, the bishops--never originating offshoots such as a "new church" or a "people's church," as opposed to the One Church of Christ, which itself is made up of the people of God; 2) Strive to become trained in the doctrine of the faith, transmitting not just his own way of thinking but the truths and practices that he is learning to receive from the church--"which is the obligation to diligently gather from the mouth of the church the proper interpretation of divine revelation in the Bible and in tradition, the means of salvation, the standards of moral conduct..."; 3) Be, furthermore, a man who believes in prayer and practices it.

We do not have the entire text of the pope's statement in Madrid, as the news agencies transmitted only brief passages. However, these few passages express eloquently the thoughts of the head of the Catholic Church regarding those Basic Church Communities that seek to replace the church and its mission with a vague popular religious sentiment in order to inspire themes of "pastoral politics," devoted essentially to combating the collective and institutionalized "sin" which is the capitalistic system. In Madrid the pope said, among other things: "It would be hopeless and inexcusable to seek the unity of the church at the level of the small community while neglecting the deeper unity of the faith and of charity. Unity is expressed through the bishops, and the church as a whole is expressed



through the pope. Any other way of proceeding would be the same as straying from the fold."

A sponsor of CEBs, Cardinal Arnns of Sao Paulo said in an interview last year that "the time when politicians could manipulate the people is coming to an end," and in fulfillment of this prophecy he thus perceived the mission of the communities: "All those who think they still have a chance to manipulate the people will of course attribute the same purpose to the CEBs and to all the population they have aroused." On that occasion, the cardinal of Sao Paulo defined three forms of political action: the first, already defined in Puebla, is politics as a struggle for the common good in which all are required to participate and give their best; the second, that of taking up a certain line of action, with an ideology and with instruments that express party politics; and the third, the struggle for power. In the latter two, he then added, the CEBs are "certainly and greatly" influential. These are the words of an archbishop, who certainly is responsible for what is done in his diocese.

In an article published in a Sao Paulo morning newspaper under the title "The CEBs, the Parties and the PT [Workers Party]," Leonard Boff, Franciscan friar and one of the foremost advocates of liberation theology, wrote that the CEB is where we must establish our lives and our practice in the light of the Word of God. And he added: "On the basis of such a position, some are more advanced and understand that opposition to the current regime, commanded by capital, is essential for the betterment of the people. With one exception, the parties now existing legally have been established by the ruling classes who do not acknowledge the problem of capital." The Franciscan friar then goes on to analyze the close affinities between the CEBs and the PT--both have a popular base and origin. According to him, this is the way in which to direct pastoral and catechism policy. It remains to be seen whether the bishop and the friar are in communion with the teachings of John Paul II, who in Rio de Janeiro spoke of the dangers of ideologization--which replaces theological reflection--and whose "consequences are the total politicization of Christian existence, the dissolution of the language of the faith in the social sciences and removal of the transcendental dimension of Christian salvation."

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CSO: 3342/27

OCTOBER INFLATION SET AT 4.8 PERCENT, 12-MONTH TOTAL AT 95.9 PERCENT

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 6 Nov 82 p 23

[Text] Rio de Janeiro--The inflation rate rose again in October, to 4.8 percent, but even so it is the second lowest of this year (the lowest was in September, with a rate of only 3.8 percent), according to reports released yesterday by the research department of the Brazilian Economics Institute [IBRE] of the Getulio Vargas Foundation. This brought the total for this year to 79.2 percent, greater than the 78.6 percent of the same period in 1981. The rate for the latest 12 months now rises to 95.9 percent.

The three components used in computing inflation (Wholesale Price Index [WPI], Consumer Price Index [CPI] and Construction Cost Index [CCI]) showed 12-month rates of 94.1 percent, 96.1 percent and 107.9 percent, respectively. In October the WPI increased 5.2 percent (77.2 percent for January through October); the CPI, 4.3 percent (78.8 percent so far this year); and the CCI, 3.2 percent (95.2 percent in the first 10 months).

#### WPI

According to IBRE, the largest increases in the Wholesale Price Index were recorded under the headings of machinery, vehicles and equipment (7.2 percent); production goods (6.1 percent); food-processing raw materials (5.5 percent); housewares (5.1 percent) and consumer durable goods (5.0 percent).

The largest percentage increases in the index were caused by piassava (65.6 percent), carnauba (42.5 percent), pears (33.6 percent), hevea rubber (27.1 percent), welded steel pipe (21.0 percent), cocoa (20.9 percent) and electrodes for soldering (20.8 percent). The most percentage influence on the WPI was exerted by corn (12.5 percent), crude oil (3.9 percent), crystal sugar (3.5 percent), lubricating oils (3.4 percent), white potatoes (3.4 percent), cotton cloth (2.7 percent), 90-or-less-octane gasoline (2.5 percent), manioc (2.4 percent) and 200-to-1000-millimeter cold-rolled coil plate (2.4 percent).

#### CPI, CCI

According to IBRE, the biggest increases in the Consumer Price Index resulted from higher prices for the following items: health care and hygiene (0.5 percent), household articles (6.0 percent), housing (4.7 percent) and apparel (4.6 percent).

Food was fifth, with 3.8 percent. The greatest percentage variations were recorded for chayote (58.6 percent), string beans (31.1 percent), onions (25.9 percent), pears (25.1 percent) and avocados (24.8 percent). Meanwhile, the greatest percentage influence was exerted by dough (6.0 percent), refined sugar (3.7 percent), chayote (2.7 percent), sandwiches (1.7 percent), "hookworm" rice, white potatoes and restaurant meals (each 1.5 percent).

The Construction Cost Index (computed, as is the CPI, for the city of Rio de Janeiro) rose 6.3 percent for construction materials and fell 0.04 percent for labor cost.

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CSO: 3342/27

## GALVEAS SEES 1983 AS HARD YEAR, BUT NO WORSE THAN 1982

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 13 Nov 82 p 31

[Text] The austerity program, absolutely necessary under current circumstances, is restrictive but not recessionary. Foreign purchases will be reduced on a rigorously selective basis, expanding import-substitution programs, which, backed by credit incentives, mainly through the BNDES [National Economic and Social Development Bank], should activate many segments of the domestic economy, it was asserted yesterday by Finance Minister Ernane Galveas in a speech read on his behalf by Central Bank Director Herman Wagner Wey.

In the speech, read to bankers at the commemorative ceremony for the 60th anniversary of the Association of Rio de Janeiro Banks, Galveas points out: "This does not mean that 1983 will be an easy year. But it should be no worse than 1982. And for that very reason our prescription for next year is the same as it was for 1982: to redouble our efforts, working hard, cutting waste, exporting more and importing less. In short, following a policy of austerity in all respects."

He adds: "As we now approach the end of the year, we are faced with further difficulties originating abroad that have prevented attainment of many of our objectives." In the finance minister's view, anyone aware of the deteriorating international situation for major export products, especially commodities, knows about its negative effects on export revenues and its repercussions for increasing domestic inflationary pressures.

"In view of this," he says in the speech, "the balance of payments this year will not be as had been hoped. The trade surplus is likely to be a little more than \$500 million, because the physical growth of exports will be offset by a substantial reduction of their value."

This set of difficulties is rounded out by a substantial loss of markets for Brazilian exports, resulting on the one hand from increased protectionism by industrialized countries and on the other from deterioration in the balance of payments for important developing countries that import Brazilian products, mainly in Latin America (Argentina, Chile, Venezuela, Mexico, Uruguay and others), the Middle East and Africa (especially Nigeria).

Ernane Galveas estimates that the combined effect of these two circumstances will represent a loss of about \$5 billion this year in Brazilian export revenue.

Financing the balance of payments is a subject that has greatly concerned not only the government but Brazilian society as well. "You [bankers], more than anyone else, know the complexity of the problems that are disturbing the international financial order. The recent and serious events resulting from the liquidity crisis of important debtor nations (notably Mexico and Argentina), following Poland's financial collapse, dangerously disorganized the flow of funds from the international banking market to developing countries."

According to the finance minister, Brazil faces this retraction certain that its potential and its economic policy, consistent with a policy for administering its foreign debt that is acknowledged internationally as an example of efficiency and prudence, will continue to assure the foreign funds needed to finance its balance of payments without damage to its economy and without resorting to extreme measures to solve its problems.

For the first time, declares the minister, "we must recognize that it is not enough to think we are different and quietly wait for an expression of confidence from the international financial community, an attitude that inevitably would spoil our plans for future development and frustrate our hopes for improving the welfare of Brazilian society."

After asserting that the whole government is busy reevaluating its strategy, Galveas adds that for the coming year this strategy is outlined in the document approved by the National Monetary Council. The main point of the new program is the idea that new and severe external restrictions call for changes in the pace of gradual adjustment, together with a more rapid process of reducing the current-accounts deficit, for the very reason that the degree of uncertainty in international financial markets has increased disproportionately.

The goal of a \$6 billion trade surplus depends much more upon restricting imports (limited to \$17 billion, compared with an estimated \$19.5 billion this year) than upon increasing exports. The finance minister is expecting a \$1.1 billion savings on oil imports, a 29-percent cut in public-sector imports and a 21-percent reduction in private-sector imports. He is also looking for a moderate increase in exports based upon a probable recovery in some commodity prices and some recovery of the industrialized economies.

The basic objective will be to drastically reduce the growth rate of foreign debt (from 17.6 percent last year to 8 percent) and with it the Brazilian economy's dependence on international financial markets.

#### Galveas 'Disappears'

Since 1700 hours last Thursday, when he took off from Brasilia in a jet aircraft belonging to the Central Bank, Finance Minister Ernane Galveas has not been seen in public. Yesterday he canceled a press conference with foreign correspondents that had been scheduled for some time to take place in Rio de Janeiro. Nor did he appear at the 60th anniversary commemorative luncheon of the Association of Rio de Janeiro Banks (ABERJ) or in Sao Paulo, where he was to have been traveling. This led to rumors that he was avoiding the press so he would not have to discuss before Election Day Brazil's possible appeal to the International Monetary Fund.

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## BRIEFS

ARMED FORCES PROMOTIONS--Brasilia--On 25 November the army, navy and air force are promoting 17 general officers of various ranks, with one exception: none of the armed forces has a vacancy as of now for a four-star general officer, that is, a general of the army, fleet admiral or air force lieutenant general. The high commands of the various forces will meet before 25 November to choose candidates for the vacancies and submit their names to the president. The air high command has a meeting on 18 November and the ground-forces high command meets on 22 November. The navy has not yet set a date. The two vacancies for major general in the army were left by Generals Octavio Costa and Brun Negreiros--the first through a request to be transferred to the reserves and the second combined with the post of EMFA [Armed Forces General Staff] assistant chief. There are three vacancies for brigadier general, two resulting from filling the major-general vacancies and one because Brigadier Gen Erar de Vasconcelos is joining the reserves. The air force has six vacancies: two for major general and four for brigadier general. The vacancies were left by Major Generals Edilio Ramos de Figueiredo and Luiz Portilho Anthony, both passed over in the July promotions and transferred to the paid reserve. Besides the vacancies that in turn will be created at the rank of brigadier general by filling the two major-general slots, two more will be opened through combining duties now performed by Brigadier Generals Evonio Arouca and Pedro Ivo Seixas. [Text] [Rio de Janeiro JORNAL DO BRASIL in Portuguese 6 Nov 82 p 7] 8834

ENGESA TORPEDO PRODUCTION--Brasilia--ENGESA [Specialized Engineers, Inc], weapons manufacturer in Sao Paulo, will produce components of the Tiger-fish torpedoes that will be procured by the navy for equipping submarines. The company worked out arrangements with the British Marconi group, manufacturer of the Tiger-fish, to undertake the project. Adm Raphael de Azevedo Branco, director general of naval ordnance, who was in Brasilia for the Aviator's Day commemorations, said the project will contribute toward reaching the goal of producing ordnance materiel in Brazil. Luiz Aratagy, ENGESA vice president, has asserted that manufacture of not only the Tiger-fish torpedo but also other weapons used by the navy would be appropriate. The business executive, who spoke at the inaugural ceremony of the new president of Brazilian Ordnance Industry (IMBEL), Jose Luiz Whitaker Ribeiro, said the torpedo projects are the responsibility of an ENGESA subsidiary, ENGETRONICA, which produces components, including some for fire control. Gen Delio Jardim de Mattos, air minister, said yesterday that the new Mirage aircraft for the Brazilian Air Force will be procured after price studies, "because there will be no reciprocity; in other words, it is not expected that the country furnishing the supersonic aircraft for Brazil will be buying Brazilian aircraft in return." He went on to say

that "we need two or three 'bi-place' Mirage aircraft intended specifically for training. However, only a minimum number of these supersonic aircraft will be bought." [Text] [Rio de Janeiro O GLOBO in Portuguese 31 Oct 82 p 9] 8834

FIGUEIREDO VISIT TO AFRICA--Brasilia--The visit President Joao Figueiredo will make to Africa next year, confirming the announcement that he himself made during his recent trip to Washington, will be in January, lasting for 1 week with stops in Abidjan, Ivory Coast; Bissau, in former Portuguese Guinea; and Lagos, Nigeria. To prepare for this visit, Itamarati [Foreign Affairs Ministry] accelerated assignment of Ernesto Carvalho, Brazil's new ambassador to the Ivory Coast, at the same time it was transferring Jose Carlos Ferreira Lopes to Bissau as charge d'affaires. Confirmation of the presidential itinerary in Africa, involving only Ivory Coast, Guinea-Bissau and Nigeria, made apparent the exclusion of Senegal, whose former president, Leopold Senghor, visited Brazil twice, once as a private citizen. Guinea-Bissau, the smallest of the three former Portuguese colonies on the African continent (formerly tied to Cape Verde), was included in President Figueiredo's itinerary due to its physical and economic proportions and to the political difficulties that would have arisen from including Angola (with Cuban troops now in its territory) or Mozambique (approaching the Soviet Union more closely) in the schedule. Ivory Coast is one of the two leading French-speaking countries and Nigeria is not only an English-speaking country but is also Brazil's foremost economic partner in Africa. [Text] [Rio de Janeiro JORNAL DO BRASIL in Portuguese 2 Nov 82 p 8] 8834

CSO: 3342/27

## EUGENIA CHARLES COMMENTS ON CARICOM SUMMIT

FL192331 Bridgetown CANA in English 2315 GMT 19 Nov 82

[Report by Peter Richards]

[Text] Roseau, Dominica, 19 Nov (CANA)--Dominica has gotten Caribbean governments to condemn the granting of scholarships through political parties, Prime Minister Eugenia Charles said here today.

Speaking at a press conference on her return from Jamaica where she attended the three-day Caribbean Community (CARICOM) heads of government meeting, Miss Charles said: "We did not name countries, but we said if a country was disturbed over the issue of its nationals being offered scholarships directly by other states it had a right to call on CARICOM member-states to use any type of diplomatic work to condemn it....

"They have given us an avenue to pressure so as to prevent these types of things happening," Miss Charles told reporters.

Dominica has criticised the Cuban Government for giving its nationals scholarships through a left-leaning political party here, and Miss Charles said today that such scholarships were now being given by Libya to Dominicans.

She said that 25 Dominicans left the country recently to study in Libya. "We don't even know what they went to study," Miss Charles said.

In her 30-minute press conference, Miss Charles said that Dominica would benefit from a proposed scheme under which the region is to buy goods needed in bulk.

"Wheat is one of the things we are thinking about. Drugs is something we have already discussed," she said.

"Jamaica has a very good purchasing organisation and it is to be looked into by the (CARICOM) secretariat to see if we could make use of the Jamaica facility rather than having to set up another facility in the area."

Miss Charles said that a commodities fund is to be set up "that will help CARICOM countries that are having foreign exchange problems to find money to pay for the services they want."



The Caribbean first female prime minister told reporters she had nothing against aid to the region being on a bilateral basis, but added: "I am not prepared to say that all aid must come that way..."

"I want to know that I can get bilateral aid and also what aid is put through a regional institution must comply with the regional institution.

"There are projects that must come through regional institutions but there are some that must come directly to the country."

She said bilateral aid would eliminate the red tape usually associated with aid through institutions, adding that less aid would come to the country if all the assistance to the area was channelled through regional institutions.

Miss Charles said she hoped that the quantitative import restrictions which the governments of the region hope to lift soon will be "useful for us" because Dominica at present does not get licences from other islands for exporting its goods.

Miss Charles, who had gone to the meeting openly backing the Barbados Government's proposal to amend the CARICOM treaty to ensure that CARICOM countries adhere to human rights, said she was pleased with the decision taken on that matter.

The meeting did not agree to amend the CARICOM treaty.

She said that the St. Lucian prime minister, John Compton, had stated that one of the reasons for not including such a clause when the treaty was being drawn up in the early 1970s was because it was not even thought necessary.

But Miss Charles said: "It is now becoming necessary because of the developments and progress in the area."

She said that the conference had adopted a position put forward by Jamaica on the human rights issue that "took in some of what Barbados said and some of what Grenada said."

She said that with regards to the Barbados draft "one or two members felt we must be careful not to push hard because we don't want to break up CARICOM. As a result, we should make haste slowly..."

CSO: 3298/1153

## 'EL SALVADOR PROCESO' EDITORIAL ON DIALOGUE PROPOSAL

PA260120 San Salvador EL SALVADOR PROCESO in Spanish 8-14 Nov 82 pp 1, 2

[Editorial: "Digesting"]

[Text] We were still seeing reaction and hearing comments this week on the subject of the FMLN-FDR dialogue proposal and the Panamanian President's offer of his country as the venue for that dialogue.

U.S. Ambassador Hinton's speech, considered by many to signify probable U.S. acceptance of such a dialogue, has also elicited violent reaction, some favorable, but mostly against it. It was not his criticism of the Salvadoran judicial system, which everyone reluctantly agreed was deserved, that bothers local sectors. They are annoyed because the criticism, which they have termed U.S. intervention, seems to give the rebels a point against the capitalist sectors that are in power in El Salvador. Ambassador Hinton's speech also produced what seems to be a procedural disagreement between the U.S. State Department and the White House, which is in fact a disagreement only over the ambassador's delivery of the speech, not its substance. Obviously, the Reagan administration is anticipating the fact that it is going to have problems testifying in favor of human rights in El Salvador, which must be done if it is to continue to give massive military and economic aid to the Salvadoran regime. This is probably the reason for the U.S. administration's pressure on the Salvadoran authorities for results.

It seems that the apparent agreement among the Christian Democratic Party (24 deputies), the National Conciliation Party (5 deputies) and the Democratic Action Party (2 deputies) to create a "democratic center"--by which control of the constituent assembly may be established and a policy of understanding promoted, in opposition to the extremism of the Nationalist Republican Alliance, ARENA--is one result of that pressure. Even if these parties do not create a formal alliance, their agreement should prove enough to erode the power of Major d'Aubuisson, who would no longer be able to control the constituent assembly's decisions. In view of this situation, there have been "coup" rumors at the constituent assembly board of directors, especially by deputy Castillo, a National Conciliation Party dissident. The changes carried out in high

military posts--such as the directorship of the National Administration of Telecommunications, ANTEL, the army's 1st Artillery Brigade (San Carlos Garrison in San Salvador) and the transfer of regional military commanders--may also reflect this situation. Apparently, General Garcia has emerged strongly as a supporter of the U.S. line of action, while other armed forces sectors that support the ARENA policy have weakened.

As a backdrop to this political struggle, a war is going on. The armed forces have launched two gigantic operations, one in Chalatenango and the other in Morazan, in an effort to regain villages that are controlled by the FMLN forces. These operations have been supported by the Honduran Army, which is mobilized at the border for a probable intervention. The hard blow inflicted on the government forces near Corinto (Morazan) and the consequences of the sabotage that left 11 departments without electric power on 12 November prove the costliness of these military operations.

In contrast with the violent war going on in El Salvador's rural areas, an international fair is taking place in San Salvador, in an effort by the government to pretend that everything is normal. However, the massive attendance at this event has only stressed the fact that our commercial and international relations are deteriorating. Despite the new \$40-million loan approved by the IDB to aid exports and the other financial measures approved by the IMF to alleviate the crisis, the rumors that the colon will suffer a devaluation grow more persistent each day. In addition, the shortage of staples that comprise the Salvadorans' daily diet will force the authorities to import rice, and perhaps sugar as well.

The military operations, the political struggle for control of the constituent assembly, the violent reaction of some sectors and the ambiguous formulas suggested by others are clear evidence that the proposal for dialogue has not been properly digested by those in power. Nevertheless, one thing is certain: the people have had the opportunity to talk about it, which is a step forward in itself.

CSO: 3248/259

## BUSINESSMEN DEFEND U.S. AMBASSADOR'S STATEMENT

PA242135 San Salvador EL TIEMPO in Spanish 23-30 Nov 82 p 1

[Text] "It seems there is not a single serious organization in our country that does not support the essence of the ambassador's statement," Monsignor Rivera y Damas has said. There is much truth in what the prelate of the Salvador Catholic Church says when he refers to the speech delivered by U.S. Ambassador Deane Hinton to the American Chamber of Commerce on 29 October 1982.

The National Council of Salvadoran Businessmen [Consejo Nacional de Empresarios Salvadoreños--CONAES], as a serious and responsible organization, is aware that Ambassador Hinton's statement is an irrefutable truth even though other organizations have tried to twist it and, quoting their own words, "make a great to-do."

In view of some statements published under the name of the board of directors of the Salvadoran Chamber of Commerce and Industries, CONAES feels dutybound to make the following reflections, respectfully inspired in Monsignor Rivera y Damas' homily:

What is more harmful to the sovereignty and dignity of El Salvador: crimes that are committed without risk and with impunity, because criminals are never found and punished; or courageous denunciation of these crimes and our deficient judicial system? The sovereignty and dignity of El Salvador comprise the sovereignty and dignity of all its citizens, notwithstanding their class and social condition. When they are kidnapped or massacred, their dignity as individuals is being savagely trampled. It is inconsistent to support oneself with legal subtleties, take offense at those who denounce these actions, while viewing with indifference the real injustice of crimes and their acquittal.

It is neither possible nor correct to charge that the U.S. ambassador is interfering in the domestic affairs of our homeland merely by delivering a speech and not referring, for example, to the military aid of his country or the presence of foreign military advisers in our land. Could it be that the former is intervention and the latter is not, according to their very particular interests?

Who gives them the right to act as judges to reject all the assistance that is being honorably offered to improve our judicial system? It seems as if some people would prefer to receive billions of dollars to improve our economic and military situation, but could care less for the human rights of the Salvadoran and U.S. citizens who live in our country. Is this just and correct?

Could it be that the best way to get this aid is to attack violently and systematically every one of Ambassador Hinton's statements?

We doubt that their reaction would have been the same towards any ambassador. It is surprising how their viewpoints and attacks coincide with those of the Revolutionary Democratic Front, FDR, and the FMLN....

Would they prefer to leave unpunished those who murder U.S. citizens?

It must be recalled that the main function of a government and its embassies is to protect the lives and interests of its citizens, both in their territory and abroad....

Even though we might agree that the organizations most qualified to issue opinions concerning our judicial system are the bar associations, we cannot refrain from saying that these associations, as far as we can recall, have done little or nothing about this.

CONAES thinks it wrong to involve Salvadoran businessmen's organizations in a dispute that jeopardizes all our economic system, which objectively depends on the United States.

Well-founded, constructive criticism from every sector must be analyzed carefully and positively before attacking those who criticize, especially when the criticism comes from someone who does everything possible, in his own way, to help El Salvador.

CSO: 3248/259

## 'VENCEREMOS' ON BIENNIAL RIGHTS CERTIFICATION

PA232313 (Clandestine) Radio Venceremos in Spanish to El Salvador 0230 GMT  
22 Nov 82

[Text] In order to continue giving military aid to the Salvadoran dictatorship, President Reagan must certify every 6 months before the U.S. Congress that this dictatorship has made considerable advances concerning respect for human rights. The last such certification cost Reagan a great loss of prestige because as he was giving his certification the U.S. press revealed some documents confirming the massacre of over 1,000 peasants by the Salvadoran Army in Morazan Department.

The certification will be in January, and Reagan has already ordered the usual 6-month whitewash of the Salvadoran regime's image to make possible what the international press has called the certification of infamy.

Reagan's problem, however, is that it appears the Salvadoran regime is determined to make his maneuver more difficult. Garcia thought that by using a handful of guardsmen and policemen as scapegoats he would solve the problem. However, that is not enough to convince the U.S. Congress, which insists that the violation and murder of four U.S. nuns, the murder of two U.S. and one Salvadoran citizens connected with the agrarian reform program, as well as the disappearance and killing of thousands of Salvadorans be clarified.

For Reagan to be successful in this clarification, Garcia will have to do much more than just bringing to trial a few guardsmen and policemen. This was clearly evidenced by Ambassador Hinton when he blamed a group of ranking officers, whom he called murderous gorillas, for such government repression.

Ever obedient to Washington orders, Garcia has tried some maneuvers such as the trial of a lieutenant and a captain against whom the U.S. Government had evidence concerning their responsibility in the killing of the U.S. advisers and the ISTA [Salvadoran Institute of Agrarian Transformation] president, (Romero Tijera).

Another one of Garcia's maneuvers was the transfer of some military officers. In both cases, however, Garcia met with failure. The president of the Constituent Assembly himself, Maj Roberto d'Aubuisson, released the officers involved in the

triple murder, claiming they were two honorable soldiers and valuable personal friends. Going beyond that, he prompted the questioning of Garcia for having permitted the participation of the FBI in the investigation.

The changes made at the highest level of the Salvadoran Army have not been convincing because none of these officers has actually been transferred nor have they lost their influence in the repressive organization. On this situation, THE NEW YORK TIMES wrote the following:

The true progress of the human rights in El Salvador will only take place when the real guilty parties render accounts to justice and receive due punishment for their participation in the killings. The paper continued by saying that President Reagan will not be able to obtain a credible certification as long as the Salvadoran criminals do nothing about the top-level officers who ordered the disappearances and massacres.

That is the serious problem that Reagan faces, because if such an investigation should be conducted, those who would obviously be involved would be d'Aubuisson and Garcia themselves. If such an investigation should be made, the chief of the treasury police, Col Francisco Moran, torture instructor of the death squads, would also be involved, as would all the members of the military high command who imposed the nefarious decree 507 and other repressive decrees, the same people who plan the military massacres and the murders committed by the death squads.

In any case, Reagan's certification will fool nobody, and his doing so or not will depend only on the degree of patriotism he may have, and what the U.S. people may be willing to endure.

CSO: 3248/259

## EDITORIAL ON 'INCONSISTENCIES' IN U.S. POLICY

PA232350 San Salvador EL SALVADOR NEWS GAZETTE in English 22-28 Nov 82 p 4

[Editorial: "Reagan's Muddled Thinking," by assistant editor Bruce Yeager]

[Text] Ambassador Hinton's recent warning of a possible cut in U.S. aid to El Salvador is a classic example of the inconsistencies in the Reagan administration. While Ambassador Hinton threatens an aid cut to El Salvador, President Reagan at the same time is pushing for renewed aid to Guatemala and Argentina.

Shortly after taking power in Guatemala, President Rios Montt disbanded the national congress and suspended the constitution. General Rios Montt has said that Guatemala will soon take the first step toward democratic elections, but he has not said when the voting will take place. All political parties in Guatemala, meanwhile, continue to be outlawed under a state of siege.

According to a recent memo from the Senate Foreign Relations Committee, the U.S. State Department intends to approve the sale of spare parts for helicopters to Guatemala's military government. The Reagan administration has argued that the 8-month-old government of General Rios Montt has improved Guatemala's human rights record, and that approval of the \$2-million sale could encourage additional reforms.

Many Guatemalan villages, however, have been reported by the foreign press as being terrorized by soldiers, resulting in thousands killed and thousands more fleeing into neighboring Mexico for refuge. Last month Amnesty International reported that 2,600 Guatemalan Indians and peasants, many of them women and children, have been massacred by military and civil defense units since Rios Montt took power. Yet President Reagan wishes to restore military aid because it could encourage additional reforms.

In a recent briefing for Latin American journalists in Washington, a U.S. Government official said the United States has removed its economic and military sanctions against Argentina. According to the official, "there has been a major improvement in the human rights situation." But in Buenos Aires recently nearly 1,000 unidentified bodies were discovered in six cemeteries. The discovery has heightened public suspicion that the military was responsible for the fate of 6,000 persons who disappeared in the 1970's.



Many of the victims disappeared after being arrested in their homes by persons identifying themselves as members of the country's security forces. The Argentine Government, however, has said repeatedly that it has no specific knowledge about the fate of those missing.

The military in Argentina has promised to turn power over to an elected civilian government by March 1984. But President Reynaldo Bignone recently cast doubts on that timetable when he announced that an accord with civilian leaders on the conduct of the military was being sought.

The government of El Salvador, meanwhile, has made some definite strides toward a return to democracy. But many serious problems such as human rights abuses do remain. Undoubtedly, a cut in aid to El Salvador would emphasize the concern of the United States.

But before the administration cuts support to El Salvador it should carefully reexamine those governments to which it wishes to restore aid. Inconsistencies like these are the cause of an increasing disrespect for the U.S. Government and the Reagan administration.

CSO: 3200/16

BRIEFS

NEW MILITARY COMMANDER--Sonsonate--Colonel Elmer Gonzalez Araujo has been appointed commander of the No 6 Military Detachment. [PA250201 San Salvador LA PRENSA GRAFICA in Spanish 17 Nov 82 p 3 PA]

COPREFA DENIES CASUALTIES--Spokesmen of the armed forces press office, Coprefa, this morning denied the report published in a morning newspaper of this capital regarding a surprise attack by terrorists on the 1st Infantry Brigade Garrison, known as the San Carlos Garrison, in this capital. According to the report five soldiers died during the attack. Coprefa denied the casualties but made no further comment, not denying the attack on the military garrison. [Text] [PA240228 San Salvador Radio Cadena YSKL in Spanish 1822 GMT 23 Nov 82]

CSO: 3248/259

## BRIEFS

BRITISH-STYLE DEMOCRACY REJECTED--Grenada's Prime Minister Maurice Bishop said in Ocho Rios, Jamaica, that democracy and human rights acquire their true meaning only when they respond to the people's basic needs. Bishop is currently attending the third CARICOM summit conference at that Jamaican beach resort. Bishop's statement, made at a press conference, opposes an amendment proposed at the conference by Barbadian Prime Minister John Adams, according to which only those Caribbean countries that maintain a British-style parliamentary system would be allowed to join CARICOM. Bishop added that true democracy is based on the permanent interaction between state leaders and the broad popular masses, as practiced in Grenada, the most democratic among the English-speaking Caribbean countries, he stressed. The prime minister pointed out that British-style parliamentary democracy has been buried forever in his country. He labeled such democracy pure hypocrisy. He added that Grenada has managed to reduce its illiteracy rate to levels below those of the rest of the CARICOM countries. He also noted that despite U.S. hostility and world recession, Grenada's economy grew 10 percent last year. [Text] [PA190238 Havana International Service in Spanish 0000 GMT 18 Nov 82]

VICTORY AT CARICOM--Grenadian Prime Minister Maurice Bishop said that the Grenadian revolution has scored a convincing victory over the reactionary forces of the Caribbean at the Caribbean Common Market, CARICOM, summit meeting recently held in Jamaica. During the opening of the first conference of [words indistinct] in St George's Bishop said that during the Jamaica meeting an initiative proposed by the Barbadian Prime Minister John Adams failed. The [words indistinct] the CARICOM charter to exclude Grenada. Speaking before more than 40 intellectuals from 13 countries attending the meeting, Bishop called for arming the peoples of the Caribbean with the strength of their own culture and for firing up their imagination with pride in what is theirs and a love of independence. The first conference of Caribbean intellectuals workers will end on Monday after debates on subjects such as the role of women in the political process and the art in the media. [Text] [PA221700 Havana International Service in Spanish 1600 GMT 21 Nov 82]

CSO: 3248/255

## AGRICULTURE MINISTER ON FOOD PRODUCTION, POPULATION GROWTH

Guatemala PRENSA LIBRE in Spanish 3 Oct 82 p 2

[Text] The minister of agriculture, livestock and food, Leopoldo Sandoval Villeda, said that in 1986 there will be 900,000 more Guatemalans to feed who will demand a greater availability, which causes concern on the part of the government, engaged in finding the solution to the problem which is already approaching.

He stated the above yesterday during the closing of technical-scientific week of INCAP [Institute of Central America and Panama].

"This institution," he said, "has arrived at its maturity, thanks to the equality of scientific work which it has carried out. I believe that the fundamental objectives which were proposed have been praiseworthy, although there still remains much to be done, in view of the fact that feeding and nutrition in our countries (Central America) is a constant challenge which we must face.

Each presentation this week has contributed knowledge and information explaining the indexes which record the extent of the food and nutritional problem, whose most grave consequence is the brain damage of many of our fellow citizens."

Sandoval added that Guatemala's food-nutritional problem has roots going back to the mode of production which prevailed since the colonial epoqe, with the distribution and appropriation of large extensions of land by the colonizers.

He stated that the small farm and the plot generate insufficient income to support a family. As a consequence, the small producer--and obviously the landless worker--must supplement their income working part of the year on the large farms. Low income is one of the causes of high rates of malnutrition in the country.

"By the way, there are examples in the world which indicate that the increase in the production of food in some countries has been accompanied by a decrease in malnutrition.

"Many interesting aspects of this subject have been analyzed this week, but in my opinion those that stand out are the insufficient production of food which forces us to import wheat, milk, cooking oil and at times even corn and beans. We know that the productive indexes are low and the deterioration rate of natural resources is alarming.

"There are extensive areas which ought to be used as permanent pastures or woods, which are used for annual crops; and on the other hand, there are soils of high quality suitable for intensive food production, which are occupied for extensive cattle raising. These contradictions can be reconciled by appealing to one's conscience, but above all, by means of a land use policy which would correct this anomaly.

"It is important then to take notice for the future that the problems could be aggravated by the demographic pressure alone. Another problem related to food production is the high cost of energy and its effect on the price of inputs used in agriculture.

"To sum up, the government has granted high priority to the food problem, and has as a basic objective the satisfaction of domestic food needs by means of the implementation of adequate policies.

"In the specific case of INCAP, their research into the greatest utilization and fortification of food, preparations of mixed vegetables, utilization of by-products, institutional education and evaluation, and especially for its integral focus on the food nutritional problem, open wide areas of cooperation which we are sure will mean positive support for the activities which it undertakes and which we should execute jointly for the benefit of the neediest people and in response to a necessary and urgent model of a practical nature.

9678

CSO: 3248/151

MATHEU INTERVIEWED ON ECONOMIC, POLITICAL SITUATION

Buenos Aires CONVICCION in Spanish 8 Oct 82 p 1

[Interview with Julio P. Matheu, minister of economy of Guatemala by Roberto J. Gandini; date and place not specified]

[Text] [Question] Can you x-ray the present Guatemalan economic situation?

[Answer] Like the rest of the world, Guatemala is suffering from recession. We have more unemployment than we would like. It is worth while clarifying, that in developing countries, it is easier to pass from employment to a situation of underemployment than to consolidation of employment. And with the recession that situation is aggravated.

[Question] To that extent has the convulsive political situation influenced that economic situation?

[Answer] For me there is no doubt that the political situation 'sparked' the union of various latent problems to join in aggravating the economic situation in all Central America. The first step was taken when the overthrow of the government of Somoza (Anastasio) in Nicaragua was imminent. At that point international banks decided to classify Central America--although Costa Rica, Guatemala and Honduras were not afflicted and in El Salvador the guerrillas had recently commenced their activity--as an area of conflict and consequently of high political risk and correspondingly withdrew their credit support from the countries of the area.

[Question] What means do you have in mind to reactivate your country's economy?

[Answer] Just at this moment, one of the means contemplated is trade with Argentina, and, in consequence that is exactly why I am here. We signed a treaty which will allow us not only the sale and purchase of manufactured articles, but also the exchange of basic products. We are in a position to sell coffee and rubber, and in turn Argentina is able to furnish capital goods and some agricultural products (we are large buyers of wheat). Also the economic reactivation and its trade with Argentina foresees the necessity to increase shipping space. For that purpose we were having a discussion with the authorities of the Secretary of State for Maritime Affairs. Another

means of reactivating the Guatemalan economy was the signing of an agreement with Israel for technical assistance and a similar co-agreement with 'our friends to the north, Mexico.'

The reestablishment of credit with the United States and Canada contributes to the endeavor to overcome the present crisis. This with regard to the overseas front.

But we have also already adopted a series of measures on the domestic level.

[Question] For example?

[Answer] We have organized around Guatexpo (our export institute) a kind of commission composed of about 500 industrialists to enlarge the market for non-traditional products outside the Central American area. All those having helped will tend to bring oxygen to our economy.

[Question] But under what conditions will this reactivation take place?

[Answer] On a solid basis which will outlast this administration.

[Question] What about the foreign debt of 2.2 billion dollars, how will it be solved?

[Answer] The external debt of Guatemala is relative to its size. It is one of the smallest in all Latin America. Compared with the gross domestic product of 6.8 billion dollars annually, our external debt is very small.

[Question] Why can't the minister of economy authorize the issuance of money in Guatemala?

[Answer] Because that decision is taken only by agreement of a Monetary Board, of which the minister of economy is a part. And that turned out to be a positive thing for the country. Because despite the political and economic changes which we have had over the years, that Monetary Board has always been non-political. That aided in the consolidation of an incredible monetary stability for the country.

[Question] What is the present political situation in Guatemala?

[Answer] With the coming into power of the de facto government headed by Rios Montt, an administration with clear concepts of respect for man's individual liberty, and development by means of private enterprise, was inaugurated, and at the same time, they contribute to the development of the nation.

Furthermore, we believe that wealth is produced by means of work, and the latter by free men, who wish to better themselves.

[Question] And politically, what is the position of the government?

[Answer] We are firmly convinced that it is a government in transition toward the country's constitutionality. We must establish bases so that Guatemala can develop with democratic objectives of excelling which all nations should have in order to direct their destinies.

## GOVERNMENT CITES JESUIT TIES TO REBELS

PA242240 Panama City ACAN in Spanish 1851 GMT 24 Nov 82

[Excerpts] Guatemala City, 24 Nov (ACAN-EFE)--Priest Luis Gutierrez, father superior of the Society of Jesus, denied today that the clergymen accused by the military government of having links with the guerrillas are Jesuits.

The Guatemalan Government recently launched a publicity campaign against the rebel groups in the papers and on radio and television, disclosing the names of individuals who, according to the authorities, belong to the subversive organizations that operate in this country.

The campaign has created a stir among Guatemalans, especially when it was disclosed that several clergymen, reportedly Jesuits, are connected with the guerrillas.

In all of the country's papers, the government has published the picture of former Jesuit priest Carlos Hoyos Rodriguez, a Spaniard, whom it accuses of being a member of the poor people's guerrillas army (EFP) and of helping to organize the occupation of the Spanish Embassy in 1980.

Within this campaign, Marcelino Chub, one of the peasants who sought refuge in Chisec village, Alta Verapaz Department, in northern Guatemala, has claimed that "a nun, known as Mother Gloria, and father Melchor, both Jesuits from the Philippines, from San Martin church, indoctrinated them to join the guerrillas."

In the only public reaction to the campaign so far, Father Gutierrez has denied that the accused are Jesuits.

He said that he does not understand why it has been charged that Mother Gloria and Father Melchor are Jesuits.

"We Jesuits," he explained, "have no women's section, and Father Melchor belongs to our congregation and has nothing to do with our company." [sentence as received]

As for Father Hoyos Rodriguez, Father Gutierrez explained that he was a Jesuit but that he withdrew from the order more than 2 years ago.



## BRIEFS

MEXICAN FISHING BOAT--The fishing boat (Zuliano) II of the (Las Zulianas) cooperative of Salina Cruz, Mexico, was seized with six crewmembers when it was found fishing inside Guatemalan territorial waters off Ocos, San Marcos Department. The frigate (Caibil Balan) of the Pacific Naval Base made the seizure. It was reported that 850 pounds of white shrimp, 840 pounds of other shrimp and 100 pounds of fish were confiscated. They were taken to the warehouses of the (Pesca) Company in Champerico, Retalhuleu Department. The captain of the boat, (Rosario Valenzuela), and the five seamen were turned over to the courts. [Text] [PA241547 Guatemala City Radio-Television Guatemala in Spanish 0400 GMT 23 Nov 82]

CSO: 3248/258

## BRIEFS

CBI PLAN--President Forbes Burnham of Guyana has described as strange the fact that the U.S. Caribbean Basin Initiative, CBI, was formulated without consultation with regional institutions. He was speaking in an interview with the INTERPRESS service at the end of the third summit of CARICOM leaders in the Jamaica north coast town [of Ocho Rios]. He said: It seems strange that there is an initiative with respect to the region and there is no consultation with organs which that region has set up. The Guyana leader was also critical of the visit to the Ocho Rios summit of a delegation from the U.S. House of Representatives' Ways and Means Committee. The delegation held meetings with CARICOM leaders at Ocho Rios during its 3-day stay there as part of a fact-finding tour of the region. Mr Burnham said he did not meet with the U.S. team. He added: I came to Ocho Rios to attend a conference of the heads of government of the Caribbean. I did not come here to meet the ways and means committee of the United States and I was busy. I don't think that if President Reagan had a conference he would have time to meet a ways and means committee coming out of the parliament of Guyana, Mr Burnham said: If the ways and means committee wanted to meet with him to discuss the Caribbean Basin Initiative, he would be at their disposal in Georgetown, the Guyana capital. Grenada's Prime Minister Maurice Bishop described the visit to the Ocho Rios summit of the U.S. delegation as vulgar. [Text] [FL240030 St Georges Domestic Service in English 2300 GMT 23 Nov 82]

CSO: 3298/1154

## SEAGA TELLS PARLIAMENT OF PROGRESS AT END OF SECOND YEAR

## Listing of Achievements

Kingston THE DAILY GLEANER in English 3 Nov 82 pp 1, 13

[Text] Jamaica is now poised to grow "responsively and even dramatically" once there is a break in the global recession, and world trade starts to move again.

**This was the highpoint of the statement made by the Prime Minister, the Rt. Hon. Edward Seaga, to Parliament and the nation last night in which he reviewed the performance of the Government at the end of its second year in office and gave an indication of its plans and programme for the future.**

"We cannot measure some of our main achievements in statistical terms because they are psychological in nature symbolic of our nation's return to health," he said.

But he pointed to the turn-around in the economy, the reduction in the rate of inflation, and the return of investment in the economy as evidence of the visible improvements which were being made.

MR. SEAGA listed the main achievements of the Government in the past two years, as follows:

\*We have restored a sense of order, rationality and predictability to the country's life. By the same token we have brought back confidence to the country and hope in its future.

Crime and violence have been reduced and people no longer have the acute sense of personal insecurity that was for the most part the case in the later years of the Seventies when there was the consistent fear of attack from the gunman, the criminal and the "revolutionary."

We have put basic food items and other necessities back on the shelves and in continuing supply, ending the anxiety of the housewife and the pros-

perity of black marketeers trading in basic human needs and profiting on the suffering of shortages.

So too have we eased the shortages of basic medical supplies and equipment with more consistent flows as we move towards full restoration of services.

We have turned around the economy, registering positive growth, a distinctive achievement against the negative background of where we were coming from and in the context of the most punishing world recession in 50 years. In doing so, we are swimming against the world tide and gaining, while many, including the prosperous and powerful, are slipping. Only 3 of the more than 30 countries in this Hemisphere are likely to show any growth this year and Jamaica is one.

We have reduced the rate of inflation from a previous annual average of 23% to 4.7% in year 1, with a further single digit low-rate of 6.7% projected for this second year.

We have restored confidence in Jamaica among the world's financial institutions, making it possible for us to find the money for Jamaica's development needs.

We have begun the difficult but essential task of structurally adjusting our economy for future sustained growth which can meet competition and profit, not lose, by it.

We have created new investment starts in Industry and Agriculture in the economy at the rate of nearly eight per month or two per week. When last did that ever happen!

We are laying the foundation for the recovery of our major agricultural crops, introducing a spectacular range of new crops, and providing the farmer with an abundance of credit and services.

We have turned around the crash in Tourism to prosperity for the economy and particularly for the workers.

We are bringing order to real estate development and justice and equity to the business of rental of premises.

We are bringing order into our public transportation system to provide reliable and reputable service.

And, because we dare to care about corruption in public life we have initiated mechanisms to ensure the integrity of the award of contracts through the establishment of an Insurance Placements Committee and the appointment of a Contractor-General, the legislation for which is expected before the end of this year.

Because we dare to care about the young we have created the H.E.A.R.T. Programme to give them the skills to "learn to earn" for their future.

We are building 50 primary schools because we dare to care that a place in school should be the birthright of every child.

We have introduced compulsory education - because we dare to care that our children shall not grow up crippled by illiteracy.

Because we dare to care, we are establishing a Golden Age Home to offer a higher level of care for the aged helpless and the poor.

We have rescued and improved schemes for housing the poor, and are finalising programmes to build 12,000 new houses a year for the people of Jamaica because we dare to care.

Because we dare to care about the country's cultural life and heritage, we have begun the most comprehensive and far-reaching programme in Jamaica's history to revitalise and expand THE ARTS, indigenous culture and national heritage in all its forms.

We have rebuilt burnt-out bridges between our country and friendly nations, not allowing the ideologies of the grudgeful to crush the flow of friendship and trade, because we dare to care.

DEALING with some of the problems with which the Government has to contend, the Prime Minister said:

"There are many problems that we still have with us; there are some for which there are no early solutions, and still others which we might never completely solve.

"We will solve the problems of power supply and transportation. In 1983 power outages should be behind us and the new transportation system well on its way.

"We may continue to be short of water in the Kingston metropolitan area throughout the next year and a part of the following year if the drought persists; it may not be before late 1984 that water will start flowing in from the first phase of the Blue Mountain water supply scheme.

"The problem of water shortages is even moreso a rural problem than it is for the City of Kingston. Gradually, new water schemes and the rehabilitation of existing ones will overtake many of these problems. Others will be a matter of time and money.

"We have not yet solved the problem of a marketing system for our domestic food crops to replace the inadequacy of the existing system to find the outlets on the export and home markets so that farmers can get a fair and reliable return. But there is now justifiable hope for a solution which is in the making.

"Notwithstanding the build-up of surpluses to which we are committed and on which basis we have performed, foreign exchange will be tight until the surpluses reach a level to provide a pool which can be re-invested in our own future.

"In the meanwhile, there is no option but for scarce foreign exchange to be controlled and allocated according to the needs of the economy for recovery and growth. Our policy is not to be restrictive - only to be rational.

"The most serious problem that we face in economic terms concerns the continuing recession in the bauxite-alumina industry. We have managed last year and this year to contain the worst of the damage. We did so by not facing the cutbacks with pessimism but by successfully accepting the challenge to survive.

"If the downturn in the industry continues, there is no guarantee that we will be able to come out of next year without more damage than we

can comfortably absorb. But the will to overcome is equally strong and the determination to overcome is equally strong and the determination to continue the momentum of growth is a challenge we must accept.

"We have with us, Mr. Speaker, the continuing problems of unemployment. In the gradual solutions that are being created there can be no promise of jobs for all tomorrow. With the creation of new opportunities more and more will find employment and in each job created there is hope for another.

"**THERE IS** another problem which I shall mention, Mr. Speaker.

"The labour movement entrenched in this country and is a cornerstone of our democracy. But it cannot be good for the country the adversary positions of Labour and Management should continue to erupt in rancorous encounters from which no side really emerges the winner and the country is the loser.

"If these conflicts are to be decided without equity balance then the system of adjudication will break down. It is the job of the Ministry to hold the scales in balance in deciding the disposition of grievances. This may not have always been the case, but I am satisfied that today, under my Minister of Labour, balance does prevail.

"Some of the complexities arising in industrial relations led to the establishment of a tri-partite committee to study and report to him on the effectiveness of current labour legislation. An interim report has now been submitted.

"It was for these reasons, too, that I set up a task force on work attitudes this year, and commissioned a companion study so that we could be guided towards the goals of harmony at the work place and greater productivity of all within it at whatever level. An interim report is now before me which promises revealing insights into difficult problems with hopes of better solutions. Improved labour relations is a matter to which our administration will be turning its full attention in the year ahead.

**CONCLUDING** his statement, the Prime Minister said:

"Mr. Speaker, such is the ground work that we have laid during the past twenty-four months, that Jamaica is now well poised to grow responsibly and even dramatically once there is a

break in the global recession and world trade starts to move again.

"The restoration of normalcy to a society which had been severely traumatised is a quiet victory. You cannot make a headline out of the normal. The drama of our achievements is in order, not disorder, in harmony, not disharmony, in building up, not tearing down, in laying foundations, not destroying them, and in creating an environment where people can build for tomorrow without fear of return to the anarchy of chaos of the past.

"Human nature has an interesting peculiarity. It seeks to forget the unpleasant as quickly as possible. Fear and danger recede from consciousness as soon as the immediate threat is over. It is part of the protective mechanism which allows us to build our lives again after great tragedies or disasters.

"**IT IS INDEED** a healthy thing that Jamaicans are forgetting somewhat the tragedies of past years. But it would be dangerous and foolish to forget completely or to allow impatient expectations of the present to lead us to open our ears to the empty words of those who promises us change but gave us chains.

"So that good men may not too readily forget let them heed the words of George Bernard Shaw who wrote

"All that good men need do that evil men may prosper — is nothing".

"Let us never forget the deprivation and the wants, the chaos and the nightmares, the shortages, outages, and stoppages, the fears and the anxieties, the hysteria of uncertainty and the suffering of parting.

"Let us remember well these visions of the past as we seek to create a vision of the future and to win this future by addressing economic wants and social needs through balanced programmes which can steadily create jobs, treat the sick, tend the poor, teach the young, market the crops, build the houses, stock the shops, instal the machines, without running out of resources, opportunity and hope.

"We have faith that right makes might. And in that faith we will, always, dare to do our duty as we see it. That duty is to develop the good of Jamaica, for the people of Jamaica for whom, above all, we dare to care"

Kingston THE DAILY GLEANER in English 3 Nov 82 pp 1, 13

[Text]

**OUTLINING THE VARIOUS** measures being taken by the Government to deal with different sectors of the economy, the Prime Minister set these out as follows:

**IMPORTS:** It is proposed to issue quotas beginning next year, so that importers will have their full allocation for the year. Against the quotas, licences can be submitted and promptly granted, subject to the availability of foreign exchange at the time of application.

The main export-earners, 232 in number, representing 80% of non-traditional exporters, will be accorded top priority listing for foreign exchange along with essential goods. Quotas have already been determined for this group and will be released shortly.

Manufacturers as a whole will receive favour treatment in the issues of 1983 to ensure that there is repetition of 1982.

Other categories of importers are being assigned quotas so as to advise as many importers as possible, before the end of this year, of the proposed allocation of foreign exchange available to them for 1983.

The Trade Administrator's Department is to be replaced by a smaller, tighter and more effective Trade Board with private-sector representation which will allow for an effective monitoring of the issue of licences to ensure that it is in keeping with the Government's stated policy.

A special "window" for registered small manufacturers and informal commercial importers (those vendors who travel abroad regularly to purchase goods for sale at home) will facilitate the processing of applications for these sections of the business community.

**EXPORTS:** New export incentives tied to a regime for trading in the parallel market will be tabled in a Ministry Paper at a later date. These new incentives will allow exporters to third country markets to retain entitlement to a generous percentage of their foreign exchange earnings to be used for the purchase of raw materials, capital goods or spare parts.

A feature of the new proposal will be the right of these exporters to sell their entitlement to this foreign exchange accumulated in these accounts, to other producers in the local or export market within a given period after lodgement, failing which the exporter can only use the foreign exchange for his own purposes.

**INVESTMENT:** By the end of October one year after it was set up Jamaica National Investment Promotion Ltd. had brought 101 new projects into production, representing a total capital investment of J\$189.6 million. They will employ, when at full production, over 12,158 persons.

While the majority of the projects are in manufacturing, a third are in Agriculture.

These new investments cover a wide range of ventures. They include the manufacture of plastic laminates, garments, furniture, ceramic bathroom fixtures

(using many local raw materials), terry towelling, power-supply units, data-processing operations, pharmaceuticals, ornamental horticulture for export, the production of animal feed and feed-lot cattle, a shrimp hatchery, the breeding of ornamental fish for export, food-processing plants, a deep-sea fishing operation, coffee-growing in the Blue Mountains, banana-growing in the east of the island, the production of herbs and spices, and large-scale vegetable growing for export.

55% of these new investments in production are wholly-owned by Jamaican interests, 39% are foreign-owned, and 15% are joint ventures.

Nineteen of the manufacturing projects so far have been established in rural locations, including six in St. James and four in St. Catherine. There are others that have started in Clarendon, St. Mary, Portland, St.

Elizabeth, Trelawny and Hanover.

Another 21 projects amounting to an additional J\$26.1 million in new investment are expected to come on stream between now and the end of December, including a health spa, a chocolate-manufacturing project using liqueurs as fillings, manufacture of jute and polyethylene bags for packaging, construction of 1,000 low-income houses in Montego Bay, wild-flower honey production, and oyster-farming.

**AGRICULTURE:** Farmers will now have access to substantially increased credit with the establishment of the Agricultural Credit Bank, which has streamlined and restructured the farm credit system under one national institution to on-lend to farmers through commercial banks and people's co-operative banks.

The Agricultural Credit Bank will have a credit capacity of \$47-million in its first year of operation, considerably more than the average of \$22-million available to farmers in any one year under the previous system.

Of the amount of \$47-million, \$32-million will be available to middle and large farmers through the commercial banks, and \$15-million to small farmers through the P.C. banks which are being given technical assistance and training.

\$45-million further credit for small farmers will become available next March, making a total of \$60-million of small small-farmer credits in the first two years of the new Agricultural Credit Bank. This second small farm credit will be for incentive credits in certain areas, the Rio Grande Valley (Portland), Trinityville (St. Thomas), Pindars River and Anchovy (St. James) in particular.

**THE SUGAR INDUSTRY** is being trimmed and streamlined. Substantial investment in machinery and spare parts, upgrading of factories, improvement of irrigation systems, better cultivation practices including greater availability of fertilizer, have provided the base for an upward movement in production next year to 220,000 tons, as against the annual decline of the last several years.

The Banana Industry received a big boost with the conclusion of the \$30-million 25,000-acre joint project in St. Thomas and St. Mary. In addition, a further total of 4,000 acres of prime land have been identified for cultivation and discussions are to commence shortly with another interested high-technology Israeli group in regard to the cultivation of some 2,000 of these 4,000 acres in St. Thomas and Portland.

A further 11,000 acres of reasonably good banana land in St. Mary and St. James have been identified on the new land capability maps.

A total of \$30-million is required to finance these projects in small and larger farms to complete the financing of the maximum cultivation of banana throughout the island.

The lands for these projects are capable of yielding at least 130,000 tons of exportable fruit when fully developed. Real improvement will begin to show in two

three years. Project financing is being organised to support these projects which will create the base for revival of the industry well beyond the present level of exports of 21,000 tons.

Coffee has the brightest future of the non-traditional crops. 10,000 new acres of Blue Mountain coffee are planned, in addition to the 1,000 acres already in production.

Of this total acreage, 3,000 acres in St. Andrew, St. Thomas and Portland have already been financed under a project now being implemented, and a second project costing \$80-million covering 3,500 acres in Western Portland is the subject of a further expansion project, the financing of which is being finalised with the Overseas Economic Co-operation Fund, of Japan.

The balance of 3,500 acres in this 10,000-acre expansion programme will be next on the agenda for financing.

## Economic Measures--Part 2

Kingston THE DAILY GLEANER in English 4 Nov 82 p16

[Text]

AS PART of his wide-ranging review of the achievements and targets of the Government, which he made in his statement to Parliament on Tuesday night, the Prime Minister, Rt. Hon. Edward Seaga also looked at the areas of Tourism and Energy.

This followed his exhaustive survey of the situation with regard to agriculture up to the point where yesterday's report in the Gleaner was stopped for continuation today, as follows:

**LOWLAND COFFEE** is also to receive a boost in production with an expansion programme of 3,000 acres to be financed by the European Development Fund.

The coconut industry is proceeding very satisfactorily with a 7-year expansion programme of 5,000 acres per annum to put 35,000 acres of new plantings of dwarf varieties in cultivation to replace the dying tall varieties.

This 35,000-acre programme represents the maximum utilisation of good coconut lands, and higher yields will begin to show as of next year's reapings.

Similar projects for substantial expansion of both citrus and cocoa are being prepared, but are not as advanced as in the case of coffee and coconuts.

Trials at the 8,000-acre Brumdec reclamation in St. Elizabeth in a variety of crops have shown very high yields. In some cases, over normal yields. A farm plan is now being completed to put Brumdec into cultivation next year based on these trials.

Arrangements for a joint-venture on a freeze-blast food-processing project by the Jamaica National Investment Corporation and an American investor is also completed. Among the fruits to be utilised in this

project is the banana, a possibility which has potential for the use of non-exportable fruit. Potential export earnings from this project are high when it reaches full maturity.

Rice production and milling will receive a considerable boost in the establishment of a 60,000-ton rice mill in St. Elizabeth in 1983. Financial arrangements are now being concluded on this project which will satisfy the entire national requirements for rice.

The Government intends to boost honey production to the maximum, bearing in mind the quick returns and large export markets in the E.E.C. North America and Japan. Both Canada and Japan imports over U.S.\$100-million of honey annually.

The Jamaican varieties are well-favoured but have little or no production. The Ministries of Youth and Agriculture have joined efforts in mobilising bee colonies and hives under the guidance of experts, to increase production from the current output of 1,000 tons per annum to 5,000 tons over the next 5 years.

Horticulture is now nearing the stage of emergence as a new foreign exchange earner of significance. Nine projects including 20 acres of roses and anthuriums have already been implemented as part of the recently-completed Horticultural Plan.

To assist in financing this area of development, the J.N.I.C. proposes to erect an horticultural estate in which the particular structures and irrigation facilities will be established to the specifications of each grower and the structures space rented to the investor-grower at commercial rentals.

The U.S. Government has now taken the decision at Jamaica's request to station a U.S. Department of Agriculture inspector here. This is the critical breakthrough awaited by growers of fruit, flowers and green plants.

With this station in Jamaica, it will be possible to determine rejects at this end before shipment, not at the other end of the line with considerable expense involved in dumping or return shipments in such cases. Cold rooms and fumigating facilities are to be set up at the airport to complete the needs for these shipments.

Coupled with the expected arrival of two new airbuses to be purchased by Air Jamaica which will provide for large-scale daily cargo shipments, horticultural and similar agricultural exports are now poised for major long-awaited expansion.

Principal among the new development which will benefit from these freight and other facilities is the growing of fresh-water and sea-water shrimps, one of the quickest and most profitable areas of foreign exchange and job creation.

Local investment has established hatchery facilities in Westmoreland capable of producing some 20 million shrimp larvae per annum, as much as the production of all of Taiwan, one of the world's major producers.

Investment interests run into some 2,000 acres at present, with a Jamaican-Israeli joint venture leading the way in an imminent start-up with a 100-acre project in St. Elizabeth. A second project is likely to follow soon in Amesty Hall, St. Catherine.

Trials have been carried out on the growing of sunflower for oil, the sunflower being one of the largest sources of seed oil. The results show good returns on a basis of two crops per annum, especially when inter-cropped with sorghum.

Additional earnings are generated from the sunflower meal with sorghum as an animal feed, and the attraction of the sunflower as one of the best floral sources for the development of honey.

Root crops have shown substantial increase in exports this year. In the first half of this year, 5.5 million pounds of yam have been exported, as against 8 million pounds for all of last year. Other tubers of which 880,000 pounds were exported last year, reached 700,000 pounds in the first half of this year.

This encouraging development has led to possibilities of growth in the marketing of food crops for exports. The Government is presently holding discussions with distributors and commodity organisations to work out a strategy for marketing these domestic food crops, using the network of trucks that move between city and rural shops.

**TOURISM:** One of the particularly bright spots in the economy continues to be Tourism, which is well ahead of the 2 growth target set for it this year.

If the results continue to meet the targets of 20% growth, there will be need for new accommodation by 1984-85, a prospect which is now being addressed by the finalisation of plans for three new hotels, one in Port Antonio, the other in Negril, and a third in Montego Bay.

**ENERGY:** Since coming to office in 1980, the Government has prepared a number of studies and reviews leading to a National Energy Policy and Plan, which has carefully outlined strategies to develop and implement what has been recognised as a model approach to energy management in a developing country.

This Policy with its Plan and Programmes has been recently extensively revised and will be printed and made available by the end of November this year. This type of revision will be done on an annual basis to reflect changes where necessary.

Phase 1 of a 2-phase study has shown that it will be economically feasible to convert from oil to coal as a source of fuel. The second phase, involving a technical feasibility study, is now being conducted to determine such things as the siting of the loading installation and transportation system.

It is intended in the first instance to convert the Cement Company to coal and then the Jamaica Public Service Company, and possibly, to involve the alumina companies as well in one National Development Plan.

The peat deposits of St. Elizabeth and Hanover/Westmoreland continue to be examined to determine their best use, whether this be for the potential generation of 80mw electricity over 30 years; or as a rich source of land for high-yielding crops; or for fast-growing timber forests to produce charcoal fuel.

A team of eminent "wetland" experts is expected to arrive here in November from the Smithsonian Institution in Washington, through the assistance of U.S./A.I.D., to help in making the final choice.

A most important development for the distribution of electricity in small rural households has been made as a result of work done between the Energy Division of the Ministry of Mining and Energy and the Scientific Research Council, where relatively cheap biogasifiers have been constructed to use animal and plant wastes to provide enough electricity to power a small home with a few electrical outlets for light, a small stove, a little refrigerator, and a radio or television set.

An unexpensive unit made with low-level skills from local materials in villages, using local waste, could be an immense break-through in rural energy for thousands of homes, without requiring expensive poles or wires or imported fuel.

Within the next six months the future of this project will be known.

Additional experimentation along with other renewable energy sources to further supplement rural energy needs is currently being investigated.

A related bio-mass project is at the final feasibility stage which is designed to use garbage collected in urban areas to produce electricity on a much larger scale. At least one investor is currently investigating the implementation of a project to produce 12mw of electricity, using Kingston metropolitan area waste.

**RESEARCH DEVELOPMENT** and implementation on solar technology continues. Beginning this month, a massive programme commences to provide solar water heating to all public-sector buildings which need a constant supply of hot water e.g. hotels and hospitals. Support for private-sector enterprises will be offered.

The potential of solar ponds for the generation of electricity for east-coast and south-coast areas is currently being investigated with the support of the Inter-American Development Bank. A prefeasibility report is expected shortly.

Wind-mapping exercises are continuing and investors are currently negotiating for the establishment of wind farms in St. Elizabeth and St. Thomas to begin implementation by 1983. The initial output of two farms is projected to be approximately 2 mw.

An O.T.E.C. (Ocean Thermal Energy Conversion) experimental plant development to cost \$15-million is now going ahead at Cow Bay in St. Elizabeth.

Investors are at the same time investigating the possibility of establishing commercial plants in Jamaica because of the ideal conditions which exist here.



Fuel designs and related studies and plans for a number of hydro-electricity projects are being prepared to implementation over a period of time, beginning January 1983.

The large schemes at Rio Bueno, the Constant Spring complex, Laughlands/Great River/Cave River, the Great River (Hanover) and the Rio Cobre, all have a total of 20 mw; the Morant and Negro Rivers (St. Thomas) have a total of 1.2 mw. All have funding and work will commence shortly.

Funding has also been provided to study and develop the remaining 12 significant mini-hydro projects with a potential of 21.5 mw. This study will begin this month.

This excludes the YS River of 2.6 mw (which is to have a feasibility study for Tourism and hydro electric application beginning in November) and the Blue

Mountain project with a potential of 55 mw).

The Energy Conservation Programme is very active and funding totalling \$20.6 million has been allocated for reducing national energy waste and to bring about a saving of 15% of the national energy bill within the next four years.

The data received on the use of petroleum products for the first six months of 1982 over the same period for 1981 indicates a decline in the total consumption of petroleum products by 15% from 7.5 to 6.4 million barrels. This, of course, is largely the result of reduced activity in the bauxite and alumina industry.

Significant increase in the use of gasoline, diesel oil and liquid petroleum gas (l.p.g.) has been noted, although steps are being taken to control these.

The search for oil continues

## Mining, Utility Problems

Kingston THE DAILY GLEANER in English 3 Nov 82 pp 1, 2

[Excerpt]

**PROBLEMS WITH** the bauxite-alumina industry, with the electricity supply and with the water situation all of which the Government had to face in its second year in office were dealt with by the Prime Minister in his statement in the house of representatives yesterday.

Dealing first with the bauxite alumina industry - "by far the most serious, in terms of its implications for the economy" he noted that for two consecutive years Jamaica had experienced "precipitous deterioration in market conditions" for bauxite and alumina.

"The industry is now facing the most difficult period in its history," he said. "It is no understatement to describe 1982 as the worst year for the mining sector in our history".

Production in bauxite fell from 10 million tonnes in 1981/82 to 6.35 million tonnes in 1982/83, the lowest level in history.

"The fact is that we were able to weather the worst of the collapse by aggressively marketing our product, both bauxite and alumina, by barter, counter-trade and other arrangements, including the 1.63 million tonnes bauxite transaction for the U.S. stockpile".

With tolling, barter and counter-trading arrangements, the country was able to increase production to 9.2 million tonnes and to earn sufficient additional foreign exchange to reduce a potential U.S. \$110-million gap resulting from the cutbacks to a more manageable projected U.S. \$55 million.

"We accomplished this by facing the challenge of finding new outlets rather than cursing the damages of world recession".

MR. SEAGA said 1983 will be a repetition of 1982, "except that the cuts in normal production will be more severe. This means that the special transactions required will be even greater."

"The Government has been in discussion with Washington in respect of a further purchase of bauxite for the U.S. Strategic Mineral Stockpile. These discussions have been in progress for sometime and while no decision has yet been made, I am very optimistic of a positive decision before the end of this year".

Similarly, a 90,000-tonnes alumina sale for each of the next three years in a counter-trade arrangement for motor vehicles would require additional production.

Mr. Seaga said it was expected that a fair number of the laid-off work-force would resume employment when this additional production came on line, "which gives us satisfaction that not only are we able to repair some of the damage to foreign exchange and revenues but also to human lives."

"We will continue to aggressively seek new market-places to ease the repressive burdens of the collapse of the international market for bauxite and alumina," he said.

"I would like to pay particular tribute to the tireless work of the chairman of BATCO, Mr. Hugh Hart, for the successful negotiations which have been completed in 1982, to save what would otherwise have been a serious fiscal and foreign exchange crisis requiring severe cutbacks in our Budget presentation".

On the electricity supply situation, the Prime Minister said that the breakdown in the boilers and gas turbines which started last year April and which came into "dramatic focus: last December with the explosion of the No 4 unit at Old Harbour was but the symptom of a deeper sickness which had been in the system for years: The appalling neglect of maintenance and the management deficiencies of which that neglect was ultimately the consequence.

"The timetable for repairs we set then was defeated by the extent of the corrosion and decay we found throughout the power-generating system. As fast as we pulled one part down we found others in which the termites of neglect had done their work.

"It has taken us the better part of the year to achieve a restoration of equipment of levels of reliable performances at a cost of J\$30-million. Total expenditure is expected to be J\$45-million before the job is complete, an amount which in itself testifies to the years of abandonment and neglect. "We near the end of pulling down, cleaning and repairing two of the major units in the system. Others will be taken out for similar treatment when these are finished. Separately, other repair work carried out by the maintenance staff has built up enough spare capacity temporarily to have reduced outages considerably in recent times.

"The problem of an adequate and consistent power supply is one which should be behind us by the early part of 1982," he said.

Turning to the water situation, the Prime Minister said that, unfortunately the problem of water supply had no such early solution.

So far as the Corporate Area is concerned, plans have now been completed and decisions made to proceed immediately to implement the first leg of the Blue Mountain Scheme

With regard to the rest of the island, restoration of services and new schemes which commenced in the financial year 1981/82, at a total cost of over J\$40-million, were near completion "to meet the needs of 110,000 people in several districts scattered over all the parishes.

Some critical areas still remained, however, such as South-east St. Catherine, including Hellshire Bay: Sligoville, in Western St. Andrew, Santa Cruz, Newmarket, Maggoty/Siloah, Discovery Bay, Runaway Bay, and Niagara/Elderslie on the border of St. Elizabeth and St. James.

New water schemes and continuing improvements to existing systems have been planned for these and other areas: to be implemented over the next three fiscal years commencing next year, in addition to a \$26-million rehabilitation programme.

In addition, a national Programme of catchments and tanks to be financed by the European Development Fund was being planned on a national scale to be constructed in villages across the country, "wherever rainfall patterns permit".

## Opposition's Assessment

Kingston THE DAILY GLEANER in English 5 Nov 82 pp 1, 24

[Text]

OPPOSITION SPOKESMAN Mr. Seymour Mullings has accused Prime Minister Edward Seaga of "skimming over realities" and presenting "a new set of promises" in his second anniversary report to Parliament on Tuesday.

The Prime Minister had given a review of the performance of the Government at the end of its second year in office and an indication of plans and programmes for the future.

The Leader of Opposition Business in the House of Representatives, Mr. Mullings issued a statement yesterday criticising the Prime Minister's presentation.

He said: "On behalf of the Opposition, People's National Party, I wish to make some preliminary comments on the Prime Minister's assessment of the state of the nation delivered in Parliament yesterday. (Tuesday)

For the most part, Mr. Seaga's presentation represented an approach that is becoming characteristic of him, of skimming over the realities facing the majority of the Jamaican people and rather than reporting on what had actually been achieved in relation to the Government's 1981 projections and targets, his presentation was substantially characterised by a new set of promises and statements of intent.

IN BAUXITE/ALUMINA, the Government had projected in 1981, that we would be mining and exporting 18m tons of bauxite by 1983. Now that Bauxite/Alumina output has fallen to its worst levels in history, as much from international recession, as well as Mr. Seaga's own short-sighted and opportunistic condemnation of the Soviet deal, we are being told that it is the Prime Minister's skill and friendly relations with Washington that has saved the Industry from declining even further; without at the same time, being told that a goodly portion of still our most valuable national asset is being exchanged for gas-guzzling cars that not even Americans any longer want.

In the case of sugar, we were told that by 1983, the country would be producing 360,000 tons. Now, the Prime Minister has stealthily substituted a new projection of a mere 220,000 which still falls short of where the PNP left the Industry in 1980.

As far as the Banana Industry is concerned, while we should be well on our way towards exporting the 140,000 tons as projected in 1981, we are still hovering around the destruction levels of 1980, and all we are having are 'plans', the biggest of which will only add 30,000 tons to present exports, well short of our EEC quota of 150,000 tons.

In domestic agriculture, the Government has offered no real incentives to the small farmers and there seems no end in sight to their suffering caused by the IMF-dictated de-regulation policy.

FEW WILL BE able to benefit from the \$15m in loan assistance because, as a JAS spokesman was quoted in one of the daily newspapers as saying: "...few small farmers will be able to borrow at 12% interest rates...", and with their markets so choked by imported food, fewer still have the inclination to borrow for fear of losing their land, because they cannot sell their crops to pay back the loans. Furthermore, the Government's move to get large commercial distributors to become involved in domestic food crop marketing is little more than a hurried attempt to cure a problem that has really gotten out of control, while its income tax exemption will mainly benefit the bigger farmers since few small farmers now earn enough to qualify to pay tax.

But it is in regard to manufacturing and the promotion of non-traditional exports that the contradictions in the Government free-market structural adjustment policies becomes most obvious: The whole idea of promoting exports by encouraging imports, especially in a situation where the entrepreneurial tradition is weak, is inherently biased towards greater importing versus exporting; greater trading, as against production; more borrowing to finance the imports, and will result, as the manufacturers are now suspecting; in the domination of the economy by a few big local capitalists, merchants, and foreign multi-nationals.

Already, many of these disastrous consequences are revealing themselves, and will get worse as time goes along. In 1980, when the PNP left office, the 'current account deficit' stood at US\$210m or 8% of G.D.P. (not the 16% continuously lied about by the Prime Minister). But, by 1981, this difference between how much we import compared to exports had jumped to US\$410m the worse deficit ever recorded. Furthermore, the Government has only been able to finance this deficit and Mr. Seaga has only been able to claim a balance of payment 'surplus' by borrowing. Last year, fully US\$510m was borrowed. This year US\$630m will be borrowed. By 1985, the country will owe the massive sum of US\$3.3 billion. The question of who will pay remains, as a large portion of this borrowing is going towards buying consumer goods rather than to increase production.

FOR THE FIRST six months of this year, while consumer goods imports increased by 24%, imports of raw materials decreased by as much as 18%. So, clearly, the economy is becoming more import oriented and consumerist.

The new system of issuing foreign exchange quotas to exporters that the Prime Minister has announced will hardly get away from the import bias of the structural adjustment programme, nor the Big Man preference inherent in the operations of the system.

Of the 232 exporters, the larger quotas will clearly be issued to the bigger exporters. In this regard, the

PNP demands that the list of exporters be made public so that it can monitor the system.

In regard to the Prime Minister's announcement about building 12,000 houses per year, the main points of the six questions we raised soon after these plans were announced still stand.

How will that 60% of the people earning less than \$50 per week be able to afford mortgages of \$180 per month for these \$30,000 'low income' houses?

From what sources has the \$500m being raised? And what are the interest rates on these loans? Failure on the Government's part to answer these questions in a clear and forthright manner will continue to show that the projections are an attempt to fool people and to sow illusion for reality.

Regarding the cost of living, the People's National Party will leave it up to the Jamaican housewives and consumers facing their daily realities in the shops, stores, on the public transportation, at the Jamaica Public Service Company Limited, the Jamaica Telephone Company Limited, the Water Commission and their landlords to determine whether the Government

is projecting the correct reality or not.

ALL IN ALL, we sense a situation where the workers will continue to suffer from lay-offs as a result of Government's de-regulation policies. Farmers' incomes will remain depressed as a result of its food importation policies. The Middle Class will still face the same difficulties in finding accommodation within their reach. The Small and Medium size businessman will continue to experience the same difficulties in obtaining foreign exchange while they are decimated by the de-regulation policies and consumers will continue to see their living standards eroded by high price increases.

In April, Mr. Seaga promised the country a 'moral re-awakening' — today, we have been overtaken by apparent corruption and nepotism at NCB, Forum and Southern Processors. We were told that this is a Government that 'dares to care', at a time when the people are going through pain and despair. Jamaicans must now recognise that the JLP Government cannot be believed.

The people need to help rebuild the People's National Party, preparing it to become a better Government.

CSO: 3298/123

## SEAGA URGES U.S. CONGRESS TO PASS ENTIRE CBI

FL152105 Bridgetown CANA in English 2059 GMT 15 Nov 82

[Text] Kingston, Jamaica, 15 Nov (CANA)--A failure by the U.S. Congress to approve the trade and investment aspects of President Reagan's Caribbean Initiative (CBI) would undermine Washington's assertions of strong commitment to economic development, Jamaica Prime Minister Edward Seaga has said.

"If the United States Congress fails to pass the final leg of the Caribbean Basin Initiative, then the United States Government will find it difficult to convince the rest of the world of its commitment to promote economic development and ideologies it stands for," Seaga said in a speech here.

Under the CBI the U.S. is already dispensing 350 million dollars (U.S.) in direct economic assistance to countries in Central America and the Caribbean, but congress is still to approve legislation that would give free access to the U.S. market almost all regional goods, as well as provide tax incentives for American firms to invest in the Caribbean basin.

The legislative process has been slow, and it has been further set back by congressional elections this month that brought work to a halt.

Noting the importance of the region to the U.S. Mr Seaga declared: "In the event of a rejection of the trade and investment portion of the CBI, the question many countries will be asking, is what can we expect from the U.S. if it fails to help those so near to it."

He urged the present congress to deal speedily with the issue.

"If we had to start in 1983, I can make no promise that it would be passed.... The hopes of millions in the region would be dashed," Mr Seaga said.

Caribbean economies, suffering from the effects of a severe world recession are in deep trouble, and many regional states have been looking to the CBI to help bail them out.

Meantime, a ten-member team from the House Ways and Means Committee is to meet Mr Seaga today to discuss the CBI, and are also to have talks with other regional leaders who are in Jamaica for tomorrow's Caribbean Community (CARICOM) summit in the north coast town of Ocho Rios.

The team is headed by committee chairman Dan Rostenkowski, and is on a fact finding mission that will also take it to Panama, Barbados, Saint Lucia and the Dominican Republic.

## GOVERNMENT CRITICIZED ON 'ESSENTIAL SERVICES' STAND

FL151545 Bridgetown CANA in English 2056 GMT 13 Nov 82

[Text] Kingston, Jamaica, 13 Nov (CANA)---Jamaican employers have told the government to clamp down on breaches of the country's labour laws or face situations similar to this week's suspension by an American shipping line of its goods relay service in Kingston.

The employers' federation called on the government "to take immediate and definitive action to demonstrate to the public of Jamaica and to would-be foreign investors that the government intends to see that discipline and law observance are brought into industrial relations without further delay."

In May, Sealand Services Limited, a U.S. shipping line which provides Jamaica with more than 60 percent of the cargo trans-shipment business handled on the Kingston wharves, had warned that labour instability on the docks could force it to move its operations from here. It was announced this week that it had carried through its threat.

ZIM Lines of Israel, which handles about 30 percent of Kingston's trans-shipment business, had made a similar threat, but has so far taken no action.

The Sealand move followed a two-week dock strike last month, the third for the year. Shipping is an essential service in Jamaica, which makes strikes illegal.

Shipping sources here say that the Sealand pullout could cost 500 jobs at the trans-shipment port, but the port authority is having discussions with the company, hoping to persuade it to return.

The employers' federation, noting its several statements in the past calling for industrial discipline here, again stressed the importance of enforcing the essential services law.

It suggested firm action be taken "before irreparable damage is done."

The federation added: "We should take a lesson from what happened to the London and Liverpool docks where continuous labour unrest and indiscipline have resulted in large areas being closed down and left deserted and desolate, causing great financial loss and heavy unemployment in both cities.

The federation said that it was willing to work with government and unions here to promote industrial peace.

## MANLEY PRESENTS 9-POINT PNP PROGRAM TO EASE HARDSHIPS

Kingston THE DAILY GLEANER in English 9 Nov 82 p 1

[Text]

**PARTY LEADER MR. MICHAEL MANLEY** yesterday reiterated the P.N.P. call for the dismissal of three Ministers of Government in its outline of a nine-point plan which "will ease the suffering and hardship that the people are now experiencing as a result of the policies of the Government"

Speaking at a press conference at the Pegasus Hotel yesterday the PNP President and Leader of the Opposition Mr Manley, on behalf of the PNP, called for the dismissal of the Ministers of Agriculture, Industry and Labour "for reasons already stated by Opposition spokesmen"

Last week party General Secretary Mr D.K. Duncan called for the dismissal of the Ministers for reasons of "incompetence"

Mr. Manley told yesterday's press conference that the PNP is also demanding that the Government bring items such as milk products and baby food, school books and materials, under direct price controls, and that it focus subsidy assistance on these items.

The PNP is calling for "the right to strike" of workers to be written into the review of labour legislation that is now being undertaken "so as to stop the pernicious practice of some employers

wrongfully dismissing striking workers on the grounds that they have abandoned their jobs; a more balanced food importation plan; the restart of the system whereby the AMC bought produce directly from small farmers at a stable guaranteed price; the restoration of previous levels of subsidies of fertilizers and planting materials and the provision of direct grants to small farmers for land clearing.

Mr Manley told the press conference that the PNP was demanding of Government that a definite time limit be placed on the implementation of the Rent Amendment Act and "that it be implemented in such a way to ensure fairplay and justice to both landlords and tenants."

They also want a greater portion of foreign exchange to be made available to the manufacturing sector and that the system be managed in such a way that "rather than make immediate requests for cash, the foreign exchange be given to the small manufacturers after their careful and precise presentation of their sources of supply, and the required sums be collected at the end of the production process."

**THE PNP URGED** Government to "To enact a more careful balance in its import of consumer goods so while prodding local manufacturers towards efficiency, it doesn't choke their markets so as to drive many into bankruptcy or trading."

According to Mr Manley, the PNP's demands need to be viewed in the context of how Government policies have been affecting the "various classes of our people, and the failure of the Government so far, including the Prime

Minister in his recent presentation, to address these areas of real concern of the people."

He identified some of these areas of concern as the lay-off of "15,000" since 1980; low prices received by small farmers for their produce "as a result of the Government's food importation policies"; high rents and the increase in selling price of houses and the adverse effect on small and medium businessmen of expensive loans, the lack of foreign exchange and the influx of imported consumer items.

Mr Manley said that it is only by implementing his Party's nine-point formula that "the Prime Minister's 'We dare to care' statement will be elevated above the pious rhetoric out of touch with reality, to a real expression of concern about the people's welfare."

CSO: 3298/123



## SEAGA ADDRESSES JLP RALLY ON TOURISM, OTHER ISSUES

Kingston THE DAILY GLEANER in English 8 Nov 82 pp 1, 9

[Text]

**PRIME MINISTER EDWARD SEAGA** told a massive crowd of supporters in Sam Sharpe Square, Montego Bay, on Saturday night that strong action is going to be taken to see that foreign exchange earned in the tourist sector goes through the right channels.

Speaking at the Jamaica Labour Party's second anniversary of "Deliverance" rally attended by thousands of party supporters from all over the island, the Prime Minister said: "I must say something to you concerning Tourism. Tourism can only be of value to the country if the dollars that come into the country come into the hands of the Government of the country so that we can have it to spend for the people of the country.

"When everybody hustle the tourists and take away the dollars, those dollars go in different directions and we cannot have the use of them to buy the things that the people need, and to buy raw materials for the factories, and to do all the other important things required by the country. So we are now going to bring in new regulations starting with the winter season, the middle of December this year, that every tourist must pay his hotel bills in American dollars.

"It cannot make sense for these guests to come here and then the dollars go all over the place to buy all kinds of foolishness and we can't get them to use to buy the things that the country

needs. So strong action is going to be taken and, quite apart from that, those of you who hustle the tourist the moment he lands for dollars, are giving the country a bad name. You are creating a nuisance to the visitors and you are driving them away because they complain about it, so I ask you don't kill the goose that lays the golden egg."

MR SEAGA SAID that Tourism had shown spectacular growth in Jamaica and in fact the country was one of the leaders in the hemisphere showing

growth in Tourism in 1982. He said that the country's tourist industry had grown by 20 per cent in 1981 and this year was headed for another 20 per cent growth, making Jamaica one of the fastest-growing countries in the world insofar as the revival of Tourism was concerned.

If the trend continued, the country will have to start constructing new hotels. Two new hotels are planned, one to be at the old hospital site in Montego Bay with 120 rooms and a second in Negril at Rutland Point with 200 rooms. Funds are being lined up for the Negril hotel and plans are being drawn up for the Montego Bay one.

Speaking on developments in Cornwall, Mr. Seaga said that two new factories had been put up in Lucea. Two new enterprises were also set up in Trelawny. In Westmoreland, another two new enterprises, one a shrimp hatchery, are going to be established. This was just the beginning of an industrialization programme which entails spreading out factories into the rural areas, he said.

Eleven new markets are being constructed in Cornwall and some 80 roads in the county were being repaired under the \$30-million road improvement programme. He said, too, that in the country there was one school under construction this year, 11 planned for

next year, including four in St. Elizabeth, one in Trelawny, five in St. James and one in Westmoreland, as part of the programme to build 50 new schools to accommodate every child of school age in the island.

Mr. Seaga said that for the first time in the history of the country, in three years' time when all 50 schools have been built, there will be a space in school for every single child of primary school age.

Four new health centres were under construction in the region, two in St. Elizabeth, one in St. James and one in Trelawny. And for the first time in many, many years every hospital in Jamaica has at least one ambulance and a doctor "despite the fact that the Cubans are gone".

New police stations were being built; and, as far as crime was concerned, things were 'cool'. A new police station would be built in Montego Bay.

Six community centres are being built in Cornwall - two in Westmoreland, two in St. James and two in Hanover.

Mr. Seaga said improvements were being carried out to various water schemes in the county, including an expansion of the Canaan-Charity scheme in St. James as well as schemes in Westmoreland and Hanover. "Thousands and thousands" of people who did not have the benefit of regular water supply would benefit from those schemes under construction or about to start.

THE PRIME MINISTER said that the site for the Montego Bay cultural centre had been selected close to the crafts market, and on November 11 the Caribbean movie centre site will be opened.

Mr. Seaga also announced that clearing of the site for seven new factories in the Montego Freeport will commence next month. A clean-up campaign for the city will also start next month.

On Housing, he said that 142 two-bedroom houses will be completed as of February in Catherine Hall.

In regard to flood-water control, in addition to the work being done on the North Gully, the "Creek" or South Gully was going to be fixed and this project would be financed by the European Development Fund.

All the accomplishments of the Government had been achieved "without raising any new taxes in the two years in which we have been in Government," Mr. Seaga said.

"All of this has been accomplished despite world conditions which have never been worse in the last 50 years."

The Government had done what it had with even the "vicious" cutbacks in bauxite production. But despite the cutbacks the Government neither surrendered nor tried to blame anybody else, but worked harder and sought new customers to make up for some of the losses, so that for this year the country has been able to weather the problem.

"I just want you to know, however, that this problem continues," the Prime Minister said, "and it continues to be a problem that we can't predict the extent to which in the future it will damage us to a point that we can't overcome and I may have to come back to you and tell you that I can't cope with the extent of the problem despite the extent to which we have coped so far; but let us all pray that it won't happen. Let us pray that all of us who have gotten our heads together with success so far will continue to be able to reap that success in the future."

Mr. Seaga said that the first problems that his Government had to face was to restore services that were run-down, health centres that were leaking and without ambulances, police stations that were virtually delapidated, power stations that gave more outages than light, irregular water supply, and roads filled with potholes.

He said that the Government set out as its target that in three years the Government would restore to normality every health centre and hospital that needed repair and he was glad to be able to say that that programme "is on target".

The Government also set a three-year target to restore all damaged police stations and courthouses and two-thirds of the programme had already been completed. Roads would take about seven years to be put back in good condition but the work had started.

THE GOVERNMENT had had a hard time with the electricity service because the system was so bad, and \$40-million had been spent on repairs to equipment of the JPS but the programme was near the end and no more "bad outages" were expected next year.

Government was determined to provide food for the people to eat, Mr. Seaga said. Some people had opposed the importation of food, but if the food not produced here was not imported how would they be made available to the people? "Easy to talk when you belly full," Mr. Seaga said.

"Let us touch the third problem - unemployment. I am not ducking any problems, I am walking straight into everyone of them with you tonight. I don't want anybody to say that 'you

talk about the things that are good and you don't talk about the things that are bad'. Everything that is bad has a solution," the Prime Minister said.

Mr. Seaga spoke of the JNIP programme and the 101 projects set up under that programme to provide employment and asked when last something like that had been done in Jamaica.

He said that \$30 million would be spent every year on the Road Programme and 40,000 Jamaicans would earn some money from the programme. He said that 18,000 new jobs were created this year in the construction industry which had gone down until it was almost 'dead'. He said too that the Government should be given credit for the HEART programme.

When people talked that there was not enough money in circulation they should understand why. Sugar production was down, taking \$18-million out of rural money in circulation, banana cultivations were destroyed by hurricane. Those were two special areas.

He said it was a fact that there was less money there, but 1983 would be a different picture as sugar production would rise to 220,000 tons, putting \$18-million back into the rural economy. The banana industry's revival would take a leap forward next year, putting millions more into the rural economy. The rural road programme next year will also put several millions more into the rural economy.

THERE WERE ALSO PLANS for improvements in other areas of Agriculture, including rice and cassava, honey

and fish, bringing more money into the rural areas. And \$45-million was also being made available for agricultural credit.

Jamaica has had greater success in keeping down the cost of living than most countries of the world and was actually the third best performer in that area in the entire world.

Mr. Seaga said that no Government could reduce the cost of living but could control it, and in Jamaica's case the increase was small. Jamaica had had one of the best success stories in that area.

Mr. Seaga said that he spoke about the problems because he knew that there were solutions. He said that the only problem he did not have a solution for was the bauxite problem because it was an external problem.

Mr. Seaga said that in two "short" years the JLP had accomplished more than the PNP did in 8½ years.

"In two short years we have halted the slide and turned the economy around. In two short years we have done more than they have done in 8½ years. But we are not satisfied with what we have done. We still have more to do," Mr. Seaga said.

"We still have more people to put to work, we still have more people to house, we still have more children to educate ... we still have to satisfy the need for a better quality of life as we used to have and which was destroyed by 8½ years of terror and disaster and which this Government is determined to bring back once again."

## BRIEFS

BAUXITE PRODUCTION DECLINES--Kingston, Jamaica, 18 Nov (CANA)--Jamaica's bauxite production for the first nine months of this year declined by nearly 26 percent when compared to the same period in 1981, the Jamaica Bauxite Institute (JBI) said today. The JBI, a government agency which monitors the industry, said that bauxite output for the January to September period was 6.773 million tonnes against 9.118 million tonnes for the corresponding period in 1981--a 25.7 percent decline. For the third quarter of 1982, bauxite production declined 23.7 percent from just under 3.0 million tonnes to 2.3 million tonnes. The bauxite/alumina industry accounts for three quarters of Jamaica's foreign exchange earnings. But the current world economic recession that has slashed demand for aluminium has hit the country hard. The five transnational companies which operate here have been reducing output, and more than 1,000 jobs have been lost. The industry at a peak employs about 6,000 people. Total bauxite production in 1980 was 12 million tonnes, which declined to 11.6 million tonnes last year, and experts here say that it will be difficult to reach 9.0 million tonnes this year. JBI said the export of the raw ore, which is done by two companies--Kaiser and Reynolds--dipped 17.6 percent during the nine month period to 3.6 million tonnes from 4.4 million tonnes during the corresponding period last year. At the same time, shipments of alumina, processed here by Alpart, Alcan and Alcoa, slipped 32.5 percent between January and September, from 1.9 million to 1.3 million tonnes. [Text] [FL190242 Bridgetown CANA in English 0231 GMT 19 Nov 82]

CSO: 3298/1150

## JOHN COMPTON DISCUSSES OCHO RIOS SUMMIT

FL151955 Bridgetown CANA in English 1927 GMT 15 Nov 82

[Excerpts] Ocho Rios, Jamaica, Nov 15, CANA--Suriname's hope of immediately becoming an associated member of the Caribbean Community (CARICOM) seems likely to be frustrated, given the position that will be taken by Saint Lucia at the CARICOM summit conference opening tomorrow in this tourist town on the Jamaican north coast.

Saint Lucian Prime Minister John Compton told reporters here today that the issue of the widening of the 12-member community was one that would have to be discussed by the heads of government, but clearly indicated that he was not in favour of additions at this time.

"We have to consolidate first," Compton said.

The Caribbean Community was created in 1973, but the Saint Lucia leader felt that the nine years that have passed since the signing of the treaty of Chaguaramas have not been enough for the firming-up of the community.

Compton said that both economic and political issues would be of great concern to the CARICOM leaders when they sit down for three days of talks in the Americana Hotel here, which is fronted by a long white beach and the clear waters of the Caribbean Sea.

He noted that regional economies have come in for a battering from a prolonged world economic downturn, and Caribbean governments will "have to harmonise our approach to it."

The economic situation would make Washington's Caribbean Basin Initiative (CBI), an aid and trade package for America's friends in Latin America and the Caribbean, an important topic for discussion.

On the geo-political side, he said the region was growing in importance with "a lot of attention being paid by outside interests."

"We have Grenada in our midst, what is our approach to it?" The Grenada Government of Prime Minister Maurice Bishop came to office in 1979 in a coup that ousted the administration of Eric Gairy, and is the only member of the CARICOM grouping that does not have a Westminster-style elected government.

Compton also said that it was important for the region to harmonise foreign policy, and for the heads to do something in this direction.

"We tend to give precedence to outside issues," he declared. He also pointed out that since the last summit, five members of the CARICOM grouping had become independent, meaning three more votes in the United Nations and other international fora.

"A question is how do we use those votes," Compton asked.

CSO: 3298/1155

END